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## Official Report of Debates

### Legislative Assembly of Ontario



**First Session, 34th Parliament**

Monday, December 14, 1987

Speaker: Honourable Hugh A. Edighoffer

Clerk of the House: Claude L. DesRosiers

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# LEGISLATIVE ASSEMBLY OF ONTARIO

Monday, December 14, 1987

The House met at 1:30 p.m.

Prayers.

## MEMBERS' PRIVILEGES

**Mr. Breagh:** On a point of privilege, Mr. Speaker: Today I received in my legislative office a letter from Carswell Legal Publications. It advertises a service for some \$355 a year which basically seems to me to infringe somewhat on the services that are provided by our own Hansard.

It offers, for example, "a comprehensive, systematic and up-to-date information source at Queen's Park." It offers to cover "highlights of throne and budget speeches, acts affecting the status of legislation, government bills, private members' public bills, private bills, public acts and private acts"—in other words, all those things our Hansard service offers.

It does appear to me that some enterprising person in the private sector is utilizing most of the information which, I gather, would be taken directly from our Hansard services and is offering it for sale. It seems to me that is a breach of the members' privileges here. I would like to forward a copy of this to you for your perusal. Perhaps subsequently you could give us a ruling on the matter.

**Mr. Speaker:** I will certainly take a look at the material, and once I have seen it, I will do my best to respond to the House.

## MEMBERS' STATEMENTS

### RENT REGULATION

**Mr. Breagh:** Today we are beginning in committee the estimates of the Ministry of Housing. In going over what was actually spent in the last year, I find one of the things that is rather striking is the amount of money that was underspent, for example, in rent review.

The rent review program in the last fiscal year actually spent only 17.3 per cent of its estimated expenditures. There might be some who would say that is very careful planning on someone's part, but the sad fact is that the reason it spent only 17 per cent of its budget is that for the last 11 months it has not really done anything. It perhaps could have been very busy perusing all of the

23,000 applications that are before it, but as yet no decisions of the rent review process in Ontario have been made public. So for the last 11 months, 23,000 people have had their applications held by the ministry without any decisions being rendered.

Obviously, it is causing immense problems for landlords, who do not know what rents to charge, and for tenants, many of whom will be faced with substantial amounts, should decisions ever be reached.

The television programs are full now of what is actually happening to people who will be expected to come up with \$5,000 and \$6,000 in arrears. It is ironic that rent review people themselves are indicating that by 1989 this system might work. In other words, it may, in two years' time, tell us what was the legal rent two years ago.

## MINISTER OF HOUSING

**Mr. Cousens:** Today marks the 96th day the Legislature has been sitting. It is time for a report card to be tabled on one of the newly appointed ministers, the Minister of Housing (Ms. Hošek). Her attendance in the House has been good, but she has been late every day, including today.

The minister has failed in every category in which she has been marked. No marks were given for sincerity, because this government was elected on September 10 on a lot of sincere promises. So the report card may be a little harsh because we have not included any marks at all in that category.

None the less, this minister has not answered any questions in the House. This minister has not taken any position on the Rouge Valley. This minister has not taken any position at all to defend the people who have problems with the Rent Review Hearing Board.

We believe this minister is at the bottom of the class, and unless she shows significant improvement in the next term, she may well want either to transfer or to be transferred.

It is somewhat disappointing for this highly acclaimed person to receive such a very poor report card. I think it is important for her to know that her future activities are critical.



Mr. Speaker, I hope you will deliver this report card to the honourable minister and that she has time to reflect on it. The first 100 days are almost over; it is time for some action to live up to those Liberal promises.

#### RESEARCH AND DEVELOPMENT

**Mr. Chiarelli:** Two weeks ago I was pleased to see the government award \$24 million from the Premier's technology fund to three very deserving research and development projects, including \$2.5 million to Canadian Astronautics Ltd. in Ottawa West.

Such funding underlines this government's commitment to improving Ontario's and Canada's records of industrial R and D at a time when the country's level of R and D spending ranks a dismal 10th among the world's 12 largest industrialized countries.

In 1984, the Prime Minister made the election promise to double R and D spending. However, as the Premier (Mr. Peterson) brought to light at last month's first ministers' conference, the federal government's contribution to R and D has actually declined in the last three years. In addition, both the federal free trade agreement and the federal white paper on tax reform neglect to promote R and D in Canada.

People are worried that the cards are stacked against our high-tech future at the very start of the international competitiveness game. For this reason, I strongly urge the Prime Minister of Canada to uphold his original commitment to assisting new technology in Canada and to put his research and development dollars where his mouth is.

#### INTEGRATION OF STUDENTS

**Mr. Allen:** Last June, the Fairview School for the Trainable Retarded in my riding closed its doors for the last time amid continuing apprehension among many parents and some teachers as to the future of the children integrated into the regular schools of the community.

The apprehension and the fears are gone, and a minor miracle is happening at the schools which have taken these children in. Children rush at recess from other classes to find their less-abled buddies, hug them, sit with them and play games, take them out to walk or play, wipe away a bit of slobber where necessary and tend to their personal needs.

Parents cannot believe the change in their children's personalities and even improvements in their health. Child care workers notice a new ability to cope with change. Children who have

barely been able to move with a walker are tackling the school's corridors in an effort to be a part of the gang.

At Prince Philip junior school in my riding, the miracle is due to the careful and sensitive planning of principal Ted Ophoven and his staff. "English and math are important," Ophoven says, "but this is a living, breathing curriculum. We do value education. Being a buddy to a handicapped friend is an important part of a well-rounded education."

I say more power to the makers of modern miracles in the integrated programs of the public and separate schools of Hamilton and across the province.

#### ORGAN DONATIONS

**Mr. McLean:** My statement is directed to the Minister of Health. We were all saddened to hear of the recent death of a neighbour of mine, Fred Schouten, 36, of Oro township, who was the father of baby Gabriel, the infant born without a brain but kept alive so that her heart could be transplanted into another child. Our sympathy goes out to Fred's young wife, Karen, during her time of great sorrow.

#### 1340

The death of Fred Schouten of a heart attack and the transplant of his infant daughter's heart so that another child might live focuses attention on a great need that faces the people of Ontario and across this country. It seems that when we pick up a newspaper or tune in the news on television or radio, we hear about miraculous transplants of hearts, lungs, kidneys, livers and other organs that give people new hope and new life, but we also hear about pleas from a relative of a patient who requires a transplant for the donation of a vital organ.

The public is responding well to the need for donors, but hospital and medical officials are hesitant to approach a family during its time of grief when a loved one dies to suggest the donation of organs. In 1984, a survey indicated that 88 per cent of families would have agreed to an organ donation if they had only been asked.

I believe the Minister of Health (Mrs. Caplan) should have a medical official at each of the hospitals in Ontario designated to approach relatives in a tactful manner to discuss the benefits of organ donations and organ transplants when one's loved one dies.

#### CONSERVATION FARMING '88

**Mr. Tatham:** I wish to pose a question in the House. The question is this: Would you steal from your children?



No one in this place would answer yes, and yet we may just be stealing one of the basic birthrights of our children. Southwestern Ontario is the food basket of this province, and yet if we do not protect the very soil in which we grow our food and the feed for our livestock, we will be stealing our children's birthright.

On June 28 and 29, 1988, Conservation Farming '88 will take place in the beautiful farm land of Oxford county on the Ministry of Agriculture and Food research farm just north of Woodstock. This co-operative venture of OMAF, the Ministry of the Environment, the Ministry of Natural Resources, the University of Guelph and Agriculture Canada, plus many other farm industry organizations, will demonstrate many ways we can conserve and better use our soil and water.

Six exhibitors will be on hand and we expect up to 10,000 visitors. I can assure the members of a pleasant and informative day in the beautiful pastoral food lands of Oxford county. I will guarantee a minimum of 21 degrees centigrade and ceiling and visibility unlimited. Let me extend a warm invitation to join me on those days, June 28 and June 29, 1988, in the banner county of Oxford.

#### MUNICIPAL ROADS

**Mr. Farnan:** Over the past two decades, successive governments have allowed the deterioration of our roads. In this period, taking inflation into account, the government has reduced spending on new highways by more than 70 per cent. In 1986-87, spending on municipal roads has fallen some 26 per cent from the high of fiscal year 1974-75.

Many municipalities are currently being forced to spend dollars that had been allocated for much-needed construction on roads and bridge maintenance just to hold the road system together.

Is it not time the province took its responsibility seriously? I urge the Minister of Transportation (Mr. Fulton) to reverse this trend of benign neglect and to demonstrate some determination in resolving the crisis in the Ontario road system.

#### STATEMENTS BY THE MINISTRY

##### TRADE WITH THE UNITED STATES

**Hon. Mr. Peterson:** Today I would like to table in this assembly the text of the Canada-US trade agreement, which the federal government made public on Friday. I know all members will want to take the opportunity to examine the

details and to assess the implications as soon as possible.

On an issue that is so vital to our nation, this Legislature must express its viewpoint. Tomorrow my colleague the Minister of Industry, Trade and Technology (Mr. Kwinter) will introduce a resolution expressing opposition to the proposed agreement.

Indeed, as Canada enters the next phase of one of the most pivotal national debates in our history, it is important that all Canadians take the time to study this proposed agreement and determine whether it is truly in the national interest. All governments have a responsibility to assist them in this process.

For that reason, the legislative committee on financial and economic affairs will begin to review the draft agreement this week, preparatory to a thorough debate in this assembly.

There are many aspects of this agreement to examine, many details to assess, but I wish to reiterate that the government of Ontario has seen nothing in the text to reduce our opposition to the agreement. This deal is simply not in the interests of Canadians.

This agreement fails to meet the federal government's own objectives set out by Prime Minister Mulroney more than two years ago. Most important, it fails to secure access to the United States market for Canadian goods and services. It provides Canadian exporters with no assurance of fairer treatment and no relief from the US trade laws and the regulations that are being used to harass them now.

Under this deal, Canadian firms would still be vulnerable to harassment under US trade law. The proposed bilateral panel to review antidumping and countervail disputes would only be able to determine whether trade actions are consistent with US trade laws, laws from which Canada would not be exempted. Four of the five major US trade laws would remain unchanged by this agreement.

Canadian exporters could still be penalized in the United States as a result of Canadian policies and programs to promote our unique regional and industrial development needs. Under this agreement, Canada would not gain what we sought to gain. Worse, we will have given up much that we cannot afford to give up. We would give up our ability to pursue an independent energy policy in order to ensure a capacity to meet Canadian supply and regional development needs.

We would give up much of our ability to screen US investment in Canada and proposed takeovers of Canadian-owned firms, and to



ensure that they benefit Canadians. We would weaken our ability to ensure a strong auto industry in Canada and give up levers to attract third-country auto industry investment.

This agreement would reduce tariffs simultaneously in both countries, despite the fact that Canadian tariffs start at a much higher level. This agreement would threaten important sectors of agriculture and food processing industries.

Under this agreement, Canada would give up far more than it gained. We all recognize that Canada cannot cling to the status quo and hope to put off the need to adjust to a new era in international trade. But this agreement does not provide the kind of change that will ensure Canada's ability to compete in the future. A trade agreement with the United States is no substitute for a forward-looking industrial strategy. A trade agreement that reduces our policy options, as this one does, will only hinder our ability to pursue such a strategy.

This agreement fails to meet Canada's immediate needs and it fails to advance us to our long-term goals. Moreover, it carries costs which Canadians simply cannot afford if we hope to maintain and strengthen our economy and our sovereignty as a nation.

Canadians are being asked to make one of the most important decisions in our history. It is not a decision that can be made lightly or hurriedly. The process for implementing this agreement is not a simple one, nor should it be. The release of this agreement does not represent the end of that process, but rather the beginning of a new and important debate.

Any decision that is so pivotal to Canada's future must take into account the views of Canada's people. As a government and as a Legislature, we must do all we can to ensure that the people have the opportunity they need to consider this agreement and to express their views.

### CORRECTIONAL INSTITUTIONS

**Hon. Mr. Ramsay:** I want to report to the members of this House today on the progress of the initiatives of the Ministry of Correctional Services with regard to the development and implementation of treatment and rehabilitation programs in our institutions.

I would like to tell the members that I am making it one of the priorities of this ministry on an ongoing basis to focus on the evaluation and improvement of facilities in which offenders are placed. This must also include specialized

facilities which address the special needs of offenders.

As some members may be aware, the Ministry of Correctional Services admits approximately 70,000 persons to its care and supervision each year. Of that number, approximately 45,000 remain under our jurisdiction to serve institutional sentences of up to two years less a day or probation terms of up to three years.

In this context, it is significant to note that approximately 15 per cent of incarcerated offenders could be considered to be in some need of some form of treatment which we hope will contribute to their chances of rehabilitation. The treatment I refer to ranges from occasional counselling to intensive psychiatric intervention for offenders suffering from psychiatric, psychological and behavioural problems.

The ministry's present capabilities in the area of treatment are based primarily in three provincial facilities located in southern Ontario; these are the 220-bed Ontario Correctional Institute in Brampton, the 50-bed Guelph assessment and treatment unit and a unit at Millbrook Correctional Centre.

### 1350

This government is committed to making more relevant its emphasis on the development in northern and eastern Ontario, and this must include the expansion of treatment and rehabilitation centres on a regional basis. The first of these, the 84-bed Rideau Correctional and Treatment Centre at Burritts Rapids, was opened just over a year ago. There are 20 beds for assessment purposes and 64 beds for treatment and rehabilitation. Referrals are accepted, first, from the eastern region; second, from the northern region, and, if beds are still available, from other geographic regions.

As part of the government's northern initiatives, we have identified a need for improved levels of service to residents of northern Ontario. To this end, we are currently finalizing plans for a second regional treatment centre, a 96-bed facility to be located in Sault Ste. Marie. This will eliminate the need to send some offenders from northern communities far away from their homes to facilities in the south, where they will get special treatment needs.

I am pleased to announce today additional improvements in our treatment capabilities. First, the ministry intends to provide for the special treatment needs of female offenders with the development of a 24-bed treatment unit at the Vanier Centre for Women in Brampton. This is significant because, while female offenders



comprise only a very small percentage of our offender population, this recognizes their special needs and establishes a permanent treatment facility to service those needs. Second, we will expand the Guelph assessment and treatment unit from its present 50 treatment beds to 72 beds. Renovations will be completed over the winter and the unit will become fully operational early next year.

These initiatives will take advantage of existing space and facilities. Conversion of available resources, along with the expansion, will be undertaken on a highly cost-efficient basis, in keeping with our government's commitment to service our population, whatever segment of the population it may be, within a framework of fiscal responsibility.

These facilities will offer a full range of psychiatric, psychological and social work services which will complement rehabilitative programs already in place. The ministry has recently completed an expansion of its province-wide network of psychiatric services available through private psychiatrists on a fee-for-service basis. These practitioners operate under a contract with the ministry, working with offenders in institutions as well as those under community supervision.

In summary, the Ministry of Correctional Services is deeply committed to the treatment and rehabilitation of offenders in our care who have special needs. What I have outlined today, I believe, is a worthwhile commitment which is in the long-term best interests not only of the offenders we set out to assist but also of the communities from which all offenders originate and to which all will eventually return.

### CONSERVATION LAND

**Hon. Mr. Kerrio:** I will be introducing the Conservation Land Act in the House today. This act is an indication of this province's commitment to preserving natural heritage sites in Ontario. I am sure it will make a number of land owners in Ontario very happy. The purpose of the Conservation Land Act is to recognize the outstanding contribution which privately owned conservation and heritage lands make to Ontario's culture.

The act provides the legislative framework to establish a new program that will provide a monetary incentive to property owners who maintain the special features of these lands. To that end, the act establishes the basis for the conservation land tax reduction program, and that is exactly what it is. The act will recognize

provincially significant areas of natural and scientific interest, significant wetlands, some lands within the Niagara Escarpment planning area, non-revenue-producing lands belonging to conservation authorities and other land owned by nonprofit organizations.

Under this program, owners of these specific conservation lands will be provided with a 100 per cent rebate on municipal taxes. In effect, the province is proposing to pay the property taxes of these lands as a way of encouraging the owners to maintain the special feature of these lands. The House may be aware that in the past the tax situation did not recognize conservation lands. It did, however, recognize agricultural and managed forest lands. These lands are already eligible for tax rebates.

The conservation land tax reduction program will put conservation land on the same footing as agricultural and managed forest land. By offering this kind of material support to the owners of conservation lands, we are telling them that we recognize the important role they play as stewards of our heritage lands. We trust this will also be an incentive to land owners to not convert conservation lands to other uses.

The Ministry of Natural Resources has been working with the Ministry of Municipal Affairs and the Ministry of Revenue on this program. We are pinpointing the provincially significant conservation lands, and their owners, that will qualify for the tax rebate program. This involves hundreds of thousands of hectares of land and many thousands of owners.

Following approval of program details, the Ministry of Municipal Affairs will be contacting these land owners in March 1988 to inform them about the new program and their eligibility for a tax rebate. This rebate will apply to taxes which have been paid since January 1, 1987.

We estimate the cost of the program will be about \$5 million annually, but the benefits to this province far outweigh this cost.

Nonprofit organizations, conservation authorities and private land owners who have long recognized the value of heritage lands will welcome this initiative. I am certain it will demonstrate to land owners that this province is committed to working as partners with land owners in preserving conservation and heritage lands.

### ASSISTANCE FOR THE DISABLED

**Hon. Mr. Mancini:** It is my pleasure today to announce a second phase of a home renovation fund for parents of dependent disabled children.



These additional funds will allow 87 Ontario families with disabled children to modify their homes to provide for more physical accessibility.

The first phase of the fund was launched on May 1, 1987. The fund was part of the \$5.4 million in housing initiatives for disabled persons which was originally announced in January of this year. At that time, the office for disabled persons did provide \$1.7 million to the Easter Seal Society to set up a one-year program to assist families in making their homes more physically accessible.

Just four months into the program, the entire fund had been committed to 125 families. Therefore, I am pleased that we can now assist an additional 87 families who meet the criteria and have been tentatively approved for funding with an additional \$1.1 million which now completes the program.

Through this fund, families with a disabled dependent child living at home could receive up to \$20,000 for home renovations. Priority has been given to home owners with the greatest need who have a low to moderate family income.

In a moment I would like the Legislature to welcome a typical family which will receive a grant from phase 2 of the Easter Seal grant fund. In your gallery are Joan and Doug Booth of Weston, Ontario, and their six-year-old daughter, Laura, who uses a wheelchair due to spina bifida. Mrs. Booth tells me that Laura is enjoying her regular grade 1 classes at Dixon Grove Junior and Middle School. The Booths are accompanied today by Norman Riddiough, president of the Easter Seal Society, executive director Ian Bain and director of services Joe Cashen.

## RESPONSES

### TRADE WITH UNITED STATES

**Mr. Laughren:** I want to reply to the statement by the Premier (Mr. Peterson) on the Canada-United States free trade agreement. I am truly amazed at the Premier's statement. What he has really said is that he continues to oppose the free trade agreement but has given us no indication what he intends to do from this point on. I am sure that if the Americans are listening and if Mr. Mulroney is listening, they will say, "Well, we have certainly heard that line before," and go back to sleep.

There is no sense of outrage in the Premier's statement over article 103, which is clearly an encroachment on the jurisdiction of the provinces, nothing at all on article 1402, which deals with services and investment, or on article 2010,

which deals with the whole question of crown corporations.

The statement the Premier has just made is no message to anyone, either in Ottawa or in Washington. Surely it is time the Premier told us what his plans are. We know he is opposed to the free trade agreement. What nobody knows is what he intends to do about it from this point on. We know that the agreement does not come into place until January 1989. We know there is a six-month pullout or withdrawal clause in the agreement. What we do not know is what the Premier intends to do in the next year.

### 1400

The die is not cast yet. It is not in cement yet. We have a whole year before this free trade agreement takes place. What we want to know is what the Premier intends to do in the next year.

I can tell members that other groups in our society have not given up. Most MPPs in this assembly have not given up. Women's groups across Canada have not given up. The farmers of Ontario have not given up. The auto parts manufacturers of this province have not given up. They stated clearly their opposition to this agreement and that they intend to fight it. We believe it is time the Premier told everybody concerned exactly what he intends to do in order to fight this agreement.

### CONSERVATION LAND

**Mr. Wildman:** I wish to respond briefly to the statement by the Minister of Natural Resources (Mr. Kerrio) in regard to the introduction of the conservation land tax reduction program.

I welcome the minister's commitment to the preservation of heritage conservation lands and wetlands in the province, but I am concerned that it takes the form of a land tax reduction program. The minister in his statement recognizes that agricultural and managed forest lands are already treated in this way by the government. It would seem that if a farmer is already getting 100 per cent land tax reduction for his farm land, there is no incentive in this program to prevent that farmer from draining lands that should be preserved for conservation and wildfowl.

Why is the minister not recognizing that his proposal will not prevent the further drainage of wetlands in southern Ontario even though we have approximately only 13 per cent of those wetlands left?

### CORRECTIONAL INSTITUTIONS

**Mr. Farnan:** Replying to the Minister of Correctional Services (Mr. Ramsay), there was



much fanfare in his statement about expanded treatment facilities. However, the minister will agree that for the most part the government is simply providing some small degree of professional staff, where for too long this professional treatment has not been provided. There are very minor program improvements and a very great deal requires to be done to meet the real needs, particularly in the area of female offenders.

In my visit to the Vanier Institute recently, there were no new beds and no new facilities there. We simply had one additional staff. On the whole, programs in correctional institutions are below the needs of the offenders in order that there be rehabilitation. I would urge that the minister address these needs, not so much with fanfare but with real substantive programs. We hope this ministry will provide the types of programs that are needed so that all of the offenders within the program can obtain rehabilitation and reintegration into the community.

#### ASSISTANCE FOR THE DISABLED

**Mr. Allen:** I welcome the announcement from the Minister without Portfolio responsible for disabled persons (Mr. Mancini). It is grand to have an expansion of this program. It would help the housing needs of the disabled if he would only get on with forcing the proclamation of their rights to reasonable accommodation in the Human Rights Code.

#### TRADE WITH UNITED STATES

**Mr. Sterling:** We are not surprised today to read the statement of the Premier (Mr. Peterson) with regard to the free trade agreement. It is basically the same position he took before he read the agreement, so we do not find a great deal in this particular statement.

I only hope that when we get to the select committee dealing with this matter, perhaps this government will start to listen to both sides of the story, will start to produce documents which tell both sides of the story and look at this free trade agreement as a positive step for Canada, a step we can take advantage of to expand our trade and create many, many jobs in our province and in our country.

We think it is a positive agreement. We think it was a positive step for Canada when this agreement was signed and we think it will, indeed, be a positive step for our province.

We only hope that now, when we have the final document, he will quit hiding behind rhetoric and face the issues head on.

**Mr. Pope:** Again on the statement of the Premier with respect to the free trade agreement, I think the people of Ontario and the members of this Legislature should recall the track record of this Premier and this government when it comes to trade matters.

It was this Premier who, on October 20, 1986, told the *Globe and Mail* and the Toronto reporters that he had been snookered by Ottawa over the softwood lumber deal. That was 25 days after he had instructed his Deputy Minister of Natural Resources to sign a national consensus arrangement with the federal government that allowed for the imposition of an export tax on softwood lumber from Ontario lumber mills to the American market. The same Premier said he had no idea about what Pat Carney was talking about in Washington on October 1, and he made that statement on October 20. Twenty-five days earlier, he had knowingly authorized his Deputy Minister of Natural Resources to sell the softwood lumber industry down the drain in this province and cost a job loss of 500 people in northern Ontario.

The same Premier who announces he will refer the free trade agreement to a standing committee is the Premier who, not too many weeks ago, announced a referral of the Meech Lake accord to a committee and then announced that his government members would be instructed to vote for the Meech Lake accord and would accept no amendments to it.

I am willing to predict that this same Premier will instruct the Liberal members of this committee to oppose the free trade agreement, not to listen to any presentations or arguments and not to allow any amendments to the free trade agreement. This whole thing is a scam. The Premier has never changed his mind, and with respect to trade matters in this province, he will sell the interests of Ontarians down the drain, given the opportunity.

#### ASSISTANCE FOR THE DISABLED

**Mrs. Marland:** I too am happy to hear the announcement of the Minister without Portfolio responsible for disabled persons (Mr. Mancini) on the Easter Seal grant for home renovation.

I would just wish, on behalf of the many other families in Ontario with disabled children and disabled adults, that it were possible for me to assist the minister in the cabinet sweepstakes at the cabinet table, because I would like to see another area of funding which was announced by this government in the middle of June this year—which is soon going to be six months



ago—and that is the disabled access fund, for which as yet we do not have a criterion of eligibility. Six months later we have got a \$15-million access fund, and I have to wonder where it is going to go and when it is going to be applied, or whether it is going to be like the high-tech fund, which gets all the fanfare of the announcement but in fact does not end up with any allocations within that given year.

So I share the concern the minister has. I just wish he had a stronger lobby among his confrères at the cabinet table.

### CONSERVATION LAND

**Mr. Pollock:** I would like to reply to the statement of the Minister of Natural Resources (Mr. Kerrio) on the Conservation Land Act. I am looking forward to studying this particular act. I hope it will protect 400 acres in Smith township in Peterborough county right across from Lakefield. I understand the residents there are very concerned about those 400 acres because a proposed gravel pit will start up right next to it, and they are concerned that these 400 acres of wetlands be protected. They rate, along the same lines, as provincially significant.

As I say, I would hope this will protect those wetlands. I understand this act has been two years in the making, so let us hope it protects a lot of the wetlands in Ontario.

### ORAL QUESTIONS

#### TRADE WITH UNITED STATES

**Mr. Laughren:** Members should know that I am here today on my feet because my leader is in Washington, where perhaps the Premier should be.

I have a question to the Premier concerning the free trade agreement and his announcement. The Premier would know that you do not have to read very far into the agreement—article 103, as a matter of fact—to see how the agreement encroaches on provincial jurisdiction. If I might quote: “The parties to this agreement shall ensure that all necessary measures are taken in order to give effect to its provisions, including their observance...by state, provincial and local governments.”

Can the Premier give us his assurances that he does not feel, and will not be, bound by that part of the free trade agreement, and tell us what he is going to do about it?

1410

**Hon. Mr. Peterson:** My honourable friend raises a very good point. That is a clause that, on the face of it, commits various levels of

government to take, as he says, all necessary measures to implement clauses in the agreement. That potentially could have very far-reaching effects, not only in terms of legislation and regulations but indeed in policy as well. Our legal experts—and we have many of them—are led by the eminent counsel the Attorney General (Mr. Scott), who has been applying his highly trained legal mind to that particular question.

There is no question that raises very serious questions from our point of view, not only on the question of federal-provincial allocation of powers, between section 91 and section 92 and who in fact has the right to implement that—we can take specific examples like the wine deal, for example, and ask ourselves the question, “Does the federal government have the right to impose its version of the free trade agreement on a province?” We could take that back to 1936, to the labour convention cases and a variety of others, which would say that in our opinion they do not have that right to legislate in areas of provincial jurisdiction.

I could go on at great length, and I am sure the Attorney General could go on at even greater length than I could, about some of the potential jurisprudence that could arise from this situation. That being said, let me say to my honourable friend, it is very worrisome. That clause particularly is extremely worrisome. I should tell my honourable friend that the Attorney General will be speaking tomorrow at noon, I believe, to the Canadian Bar Association on this very subject.

I am confident that not only my friend opposite but other members of this House, other attorneys general and other provinces that historically have taken a very strong line about provincial rights will have very great concerns on this, as we do.

**Mr. Laughren:** I think that silver-tongued devil Simon Reisman was right: The Premier is old-fashioned in these matters.

I wonder if I could remind the Premier, first of all, that he did not answer my question as to what his intentions were now, as to whether or not there would be a constitutional challenge to article 103 of this free trade agreement.

Also, I would ask the Premier if he recalls that just a little while ago in this assembly his Liberal colleagues voted down a resolution put forward by this party which would have given strength to the Premier's hand to refuse to implement anything in the free trade agreement that encroached on Ontario's jurisdiction and would have encouraged the province to pursue any legal, jurisdictional or political avenues that were



within the means of this province to stop this deal dead in its tracks.

What we still do not know from the Premier is what he intends to do. Will he make a commitment here today to launch the constitutional appeal, refer the matter to the highest court—the Ontario Court of Appeal, I guess— and also go to Washington, I would hope with some of his senior colleagues and with the leader of the official opposition, so that there is absolutely no mistake in the minds of those people in Washington that Ontario, as a major jurisdiction, is firmly and unalterably opposed, as the Premier would say, to this free trade agreement?

**Hon. Mr. Peterson:** I say to my honourable friend, I think Washington and all its various emanations are quite familiar with the point of view of Ontario. If they are not, I am sure that through the sheer eloquence of the member's esteemed leader in Washington today he will persuade everyone there that he is, of course, right.

Let me say to my honourable friend, there is some considerable question of the efficacy of launching a legal challenge on the agreement or implementing legislation that comes after that. My honourable friend would have his own legal opinions on that matter, just as many other eminent counsel have opinions on that as well. We are looking at all those questions, because in a sense it is uncharted juridical territory for all of us.

To answer my honourable friend's question, we have said—and I said it today again—that we will not be implementing those sections that are under provincial jurisdiction. That is the clear answer to his question.

The second point, however, and a more complicated one, is does this in any way jeopardize our capacity to regulate in the future. Probably it does. The question is, at which point does that become a justiciable item or something to be referred to the courts? Is it at the point of a particular legislative or a policy enactment by the federal government and/or the provincial government?

I say to my honourable friend I am very mindful of the situation we are in, although the best legal advice on that matter is not clear at the moment. It seems to me it would probably be something around a specific act of a specific Legislature that would lead to a potential court challenge on this agreement.

**Mr. Morin-Strom:** According to senior trade officials in the United States, as quoted in Saturday's Toronto Star, the approval of all 10

provinces may well be required before the US Congress will agree to this agreement. Will the Premier give us his assurance today that he will be officially notifying the President of the United States and the members of the US Congress that Ontario does not accept this agreement, is fighting this agreement and will not be implementing any portions of this agreement that have to do with provincial jurisdiction?

**Hon. Mr. Peterson:** I will put in a phone call this afternoon to the President if the member recommends it. My guess is he will not take my call but, in addition to that, my guess is that—

**Mr. Brandt:** I'll call him for you.

**Hon. Mr. Peterson:** He will probably take the leader of the third party's call, since he has direct access to the Prime Minister and the President. Perhaps my honourable friend should phone the President, being as close as they are.

I am very mindful of what some senators in the United States have said. In fact, if their interpretation is correct, I say to my honourable friend the deal is dead. It is that simple, because Ontario does not support it, Prince Edward Island does not support it, nor does Manitoba. If their interpretation is correct, then the deal obviously will not go any further.

I think we have been forthright in putting forward our position. We chat regularly with a number of eminent people in Washington. They are all clear about our position on this matter. Whether the President himself knows exactly, frankly, I am not in a position to explain what the President of the United States knows or does not know.

**Mr. Laughren:** I think I heard for the first time, and perhaps others have heard it before, the Premier say he would not implement any provisions of this free trade agreement that fall under provincial jurisdiction. I believe that is the first time I have heard the Premier say that in such a general way, and I agree with him.

What I am wondering now is whether the Premier will give us his firm commitment, in view of the fact that article 103 certainly does encroach on provincial jurisdiction, that he will officially notify the federal government that there will be a constitutional challenge to this article of the free trade agreement.

**Hon. Mr. Peterson:** I say to my honourable friend, who believes it is the first time he has heard it, that I have said it at least 10 or 15 times prior to this. I cannot account for my honourable friend's hearing problems or comprehension problems, but many other people know what I



have said on this subject and I am happy to explain again.

The member's legal advice to me, presumably, is that article 103 is challengeable in the Supreme Court by way of reference. Other people do not necessarily agree with his opinion. I would be interested in hearing my honourable friend's legal advice on this question, the basis in law on which he puts forward his position.

The Attorney General is in a position to discuss this with the member and anyone else at any time they would like. Maybe he has a better lawyer over there than the Attorney General. If so, he should have him or her stand up right now—

Interjections.

**Hon. Mr. Peterson:** There is the answer right there.

**Hon. Mr. Scott:** The lawyer is away today.

**Mr. Speaker:** Order.

**Mr. Laughren:** I am pleased to see the Premier's spine stiffening in this regard.

Perhaps I could issue a challenge to the Premier so that the notice can go out very clearly to everybody concerned that in view of the fact that energy is clearly under provincial jurisdiction and in view of the fact that the Premier, during his northern conference up in Thunder Bay a couple of weeks ago, was presented with a demand from the northern Ontario chambers of commerce to implement special hydro rates in northern Ontario as a tool for economic development, will the Premier make a commitment now that, almost as a challenge to the free trade agreement, he will implement subsidized energy—hydro rates—in northern Ontario as a tool for economic development?

1420

**Hon. Mr. Peterson:** I want to compliment my honourable friend on his craft of sneaking that little thing into the question. He is saying that he stiffened my spine, and I just do not accept the honourable member's—well, it is better than hardening of the arteries. At least I know what has been happening in this discussion during the last couple of years.

My honourable friend would like me now to challenge that by cutting rates across the board in northern Ontario, which is quite a different question. I met with a number of representatives of the northern municipalities who asked me the very same thing, and I said that Ontario Hydro—

**Mr. Laughren:** You're afraid of Simon Reisman.

**Hon. Mr. Peterson:** I said then, "No, Ontario Hydro has offered incentive rights for new development and new jobs in northern Ontario, particularly thermo-mechanical pulping."

**Mr. Pouliot:** No; wrong again.

**Hon. Mr. Peterson:** I am just telling the member they have, whether he knows it or not. His friends are obviously as uninformed as he is about what is going on in this government, and that is okay. I do not mind. I am happy to use this Legislature to bring them up to speed on the progressive, dynamic moves and the positions this government is taking. But I say to my honourable friend and to the member, in all fairness, we are prepared to use Ontario Hydro as a development agency to create jobs, but as far as an across-the-board cut is concerned, that is not the approach we will take. We want to see that translated into real, new jobs and real, new development. That is the approach we are taking. I understand my friend trying to use a back door to try to get a cut in northern Ontario, but I want to disabuse him of any notions he may have in that regard.

**Mr. Morin-Strom:** Back to the real issue: The trade deal is a bad deal. The people of this province want to know: How is the Premier going to stop this deal?

**Hon. Mr. Peterson:** I have said to my honourable friend before, and I think one has to be very realistic about this, the federal government has the right to make treaties in areas of its jurisdiction. There are a number of areas, in our view, they do not have the right to make treaties in, in particular things like wine pricing. My honourable friend and others have raised the question of section 103 and the potential constitutional implications of that in the future. I have discussed that issue today, so I will not restate the point of view I have expressed.

I have said to the member before some times—10 or 15 times, but my friend may not have heard it and I am very happy to repeat it because his honourable leader for the day has not heard the point—ultimately, the determination will be made by the people of this country passing judgement in a federal election. That is where the ultimate judgement will be.

My views are very clear on this, the member's views are very clear on this and I guess the third party's views are very clear on this as well. So we will engage in a wholesome debate on the facts, we will all make our contribution, and I can assume now it will not be unanimous, but I think this province has put forward its views in a thoughtful and constructive way, in a nonpolem-



ical way, and at the same time has come to a reasoned conclusion that this deal is not in the interests of this province nor, in our judgement, in the interests of this country, that we are sacrificing tools of development in the future—

**Mr. Speaker:** Order.

**Mr. Brandt:** The Premier is absolutely correct when he indicates that the position with respect to free trade is not unanimous. I find it somewhat strange when the Premier put forward, as the members of my party are certainly aware—

**Mr. Speaker:** Your question is to the Premier?

**Mr. Brandt:** It will be ultimately, yes. I am glad you anticipated that is to whom I was going to present the question, Mr. Speaker.

During the course of the election campaign, the Premier put forward six concerns that he had relative to the free trade agreement. He said if those concerns in fact could be responded to, could be answered, perhaps Ontario's position might be somewhat different as it relates to free trade.

Let me assure the Premier, with respect to the dispute settlement mechanism, that in fact is in the deal and has been strengthened in the final draft; that the regional incentives that Canada and many of the provinces in Canada wish to remain intact are unimpaired in this agreement; that there are safeguards for the agricultural industry with respect to marketing boards and a whole host of other safeguards that are built in, and that our cultural industries are, in fact, intact. There is screening of foreign investment and the auto pact is intact.

**Hon. Mr. Wrye:** What an interesting reading.

**Mr. Brandt:** The member may laugh as he will, but I tell the Premier that the auto pact can be removed in a 12-month period by either side, as he well knows. We have more safeguards than we have ever had.

**Mr. Speaker:** Question, please.

**Mr. Brandt:** Why is the Premier against this deal, recognizing that the majority of his conditions have been met and it is a good deal for Ontario and for Canada?

**Hon. Mr. Peterson:** Now this specific discussion has been joined by my honourable friend. I know my honourable friend had a thorough and complete briefing by one of the foremost experts on this, the Prime Minister, last week. Presumably, the opinion the member is giving me now is the one the Prime Minister has given him.

He is completely, 100 per cent wrong. We have not achieved access into the United States.

The dispute settlement mechanism enshrines US trade-remedy law. They have now put another super-extraordinary panel over the top.

The whole issue was secure access into the United States. That is what the Prime Minister said; that is what Ambassador Reisman said; that is what Miss Carney said, that we are going to get rid of the use of countervail and antidumping and it has not happened. It is a binational panel that only enshrines the implementation of US law.

**Mr. Brandt:** You are absolutely wrong.

**Hon. Mr. Peterson:** That is absolutely right. I say to my honourable friend that the auto pact has been gutted. There are no safeguards for Canada. We have excluded the multinationals. The auto parts manufacturers who are against this thing realize there will be an erosion of jobs to the United States.

We are wiping out our grape growing industry by this particular situation.

**Mr. Brandt:** Absolutely not.

**Hon. Mr. Peterson:** We are not? My honourable friend can stand up and tell his friends in the Niagara Peninsula, the wineries and the grape growers that they are going to do better under this deal, because I can assure my honourable friend that if he believes that, there are only two people who do, himself and the Prime Minister.

We go down the list of various things to which we think the conditions have not been met. In my opinion, these conditions have not been met and the people of this province have passed judgement on that.

In addition to that, there are many other things we think are faulty. It is not limited to only those six conditions, but to a deal that we do not believe is in the national interest.

**Mr. Brandt:** With respect to only one area of the agreement that was referred to in the response of the Premier, he should be aware of the fact that the dispute settlement mechanism is in place as it is because Canada demanded the right to bring forward certain regional incentive programs which we wish to have intact.

Does the Premier not think the Americans should have the right to review incentive programs of the various provinces, the content and the detail of which we are not prepared to provide them at this time? Does he not think it is only fair that a deal be two-sided and that it work in favour of the Americans and in favour of the Canadians? Does he want it only one way? What is his position on that?

**Hon. Mr. Peterson:** We are going to have a very wholesome and thorough debate in this



House, because we have the New Democratic Party representing its position and the Liberal Party and the government representing their position. Now we have a very clear spokesman for the American government right here in our House, and we will hear that voice expressed very clearly.

**Mr. Brandt:** It is interesting to note that Treasury officials indicated this was a good deal as well, so I guess they are on the side of the Americans.

Let me make this clear to the Premier: I am on the side of what is good for Ontario and good for Canada. I think perhaps he should take a little broader view of what the makeup of this country is and what is important to this province and to this country.

Let me ask the Premier once again, will he review his position on the free trade deal, offer some constructive suggestions on how to improve the deal, but join with the majority of provinces and the majority of premiers in this country who want to improve and guarantee their access to American markets for Canadian goods and products?

1430

**Hon. Mr. Peterson:** I say to my honourable friend that he has been hoodwinked by the Prime Minister in his private briefing if he believes this is going to bring secure access into the United States. He can talk to whomever he wants to talk to who knows something about it. He can talk to his lawyers, talk to his experts. I say to my friend, as honourably as I can and as honestly as I can, he is wrong in his understanding.

Then he says to me, "Go and try to improve the deal." The situation cannot be improved. It is there for him to take or for us to take. It is not changeable at this moment.

My honourable friend does not understand the process that has gone through. The deal is there. It was a bad deal. We would have been prepared to look at a good deal, but this was a deal that was driven by political imperatives by some of his colleagues in Ottawa who were prepared to give away far more than we got back.

I ask the member to look at it in straight commercial terms. I say to my friend, do not feel obliged to that regime in Ottawa. I invite my honourable friend to look at this, to apply his highly trained—I was going to say legal mind—highly trained musical mind to this question. I say to my honourable friend that he will change his view after he gets into the details on this.

**Mr. Brandt:** This is not a question. On a point of privilege, Mr. Speaker: I only wanted to

indicate to the House that in fact the deal is not in concrete and is not specific with respect to all points but—

Interjections.

**Mr. Speaker:** Order. That is not a point of privilege.

**Mr. Brandt:** I will give my second question to the member for Burlington South.

**Mr. Harris:** It was a good point, though.

**Mr. Brandt:** You spent seven hours getting briefed; why didn't you read the deal? You should have read the deal.

**Mr. Speaker:** Perhaps the member for Sarnia would let the member for Burlington South ask a question.

#### SCHOOL ACCOMMODATION

**Mr. Jackson:** My question is to the Minister of Education. I would like to raise an issue which I have raised over the last two weeks in this House.

Prior to the arbitrator's report in the Hamilton-Wentworth school dispute, he said he did not understand "what the great hardship is" in having public schools transferred to the separate school system. The arbitrator in the Hamilton-Wentworth dispute completely ruled out sharing after the minister interfered with the arbitration process and recommended that public schools be transferred to the separate school system.

Does the minister not recognize that he has sent a clear message to the separate boards that if their local negotiations fail and they request that his ministry arbitrates that dispute, they will likely be awarded the transfer of whole public school buildings in Ontario?

**Hon. Mr. Ward:** I want to indicate to the member for Burlington South that indeed the arbitrator, when appointed, clearly recognized that he had the full range of options available to him in attempting to effect a solution.

I also want to indicate to the member that this ministry encourages any means by which settlements can be achieved, whether it be through the sharing of facilities or whether it be through lease arrangements, and no mechanisms are precluded from being put into effect to achieve a consensual solution at the local level.

**Mr. Jackson:** Regardless of what the minister would like us to believe, we now have proof that that is in fact the message he has sent to school boards in Ontario.

According to Rosemary Speirs's article in the Toronto Star last Friday, one of the strategies being considered by the Metropolitan Separate



School Board is to jettison local negotiations as quickly as possible in the belief that ministry arbitration will not force it to share but will force the transfer of whole school buildings from the public board.

To reverse the message he has clearly sent to the Metro separate school boards and all other school boards throughout this province, will the minister intervene in the Toronto situation to make it perfectly clear that he supports the spirit behind Bill 30 and that expansion of one school system would never be accomplished at the expense of another?

**Hon. Mr. Ward:** In response to the member for Burlington South, I can tell him that I have no intention to intervene directly into the ongoing negotiations that are taking place between the Metro separate school board and the Metro public board.

I will indicate, though, to the member that over the course of the past three months I have had many opportunities to meet with separate and public school boards throughout this province. I have consistently urged upon them the necessity to negotiate to the best of their abilities to arrive at consensual solutions; in fact, the ministry has in no way encouraged an automatic movement to arbitrated settlements.

**Mr. Jackson:** That response just is not good enough. If the minister has seen the article in the Toronto Star of last Friday, if he is aware of what is now happening or creeping into the very delicate negotiations that are occurring between the two Metro boards, he cannot stand back and watch as the situation in Hamilton gets worse and watch the potential for it to resurface here in Toronto.

The minister refuses to see that his approach in this matter has already ripped apart one community in this province and has the risk of creating similar problems in this community of Metro Toronto. Since he persists in waffling on preserving public education in the context of the protections in Bill 30, is he refusing to intervene in the Toronto dispute? Will he at least urge the cabinet to repudiate the arbitrator's recommendations in the Hamilton-Wentworth dispute as quickly as possible so that harmony can be restored in the Hamilton-Wentworth area and we can prevent a repeat of that situation in Toronto?

**Hon. Mr. Ward:** The member for Burlington South should know as well as anybody in this House the mechanisms that are now contained in the Education Act as a result of the process of developing Bill 30. The member for Burlington South, I recall, was intricately involved in the

formulation of that legislation and participated in the all-party committee on Bill 30.

I want to remind the member for Burlington South that the legislation lays out precise mechanisms for dealing with accommodation disputes, and I can assure the member that it is my intention to respect the legislation and follow those processes.

## SEWAGE TREATMENT

**Mrs. Grier:** I have a question for the Minister of the Environment and it concerns the very disturbing study that the minister released last Friday about Ontario sewage treatment plants, which shows that there are dioxins, furans and polychlorinated biphenyls not only in the effluent but in the sludge from our sewage treatment plants. The release, of course, tells us that the municipal-industrial strategy for abatement is going to solve the problem but does admit that in the interim the minister is going to order the worst polluters to clean up at once.

Because both MISA and the Great Lakes water quality agreement commit this province to the virtual elimination of toxic substances in our waterways, can the minister guarantee that in cleaning up the worst polluters he will not negotiate control orders that allow industries to continue to discharge any dioxins or furans to the waterways of this province?

**Hon. Mr. Bradley:** The member identifies the study that our ministry undertook as part of the MISA program. One of the things we wanted to do in determining how we should best address not only those discharges which go directly into the waterways of the province but those which go indirectly into the sewer systems of this province was to do a study of a good cross-section of sewage treatment plants in the province.

Our study has identified problems. In fact, the study is not completed, but I thought it was necessary to get that information out early, even though we have further information on other materials that will come out later on. I wanted midway through the study to get this information out, as I know that is what the member would like to happen. In those cases where things are above present guidelines that are known anywhere, I want to ensure that in fact we identify and eliminate those sources.

It is always my goal to avoid control orders as they come on line, with the MISA program being close to us, that would in fact allow a continuation of an unacceptable level of any of the materials that we consider to be of great importance. But we think this study is exceeding-



ly important. We think as well, as I know the member will, that part 1 of the Dillon study, which I released earlier this week, is also going to be important because it presents for us eight different potential options for dealing with the pipes that go into the sewer systems of this province, and by March of this coming year, which is three months away, we expect that we will be coming forth with the second stage of that which will identify the preferred option and we will be able to implement that.

1440

**Mrs. Grier:** All the courses of action the minister has outlined of course are very worth while. The only problem we have with them is that they all stretch indefinitely into the future. It may be some time before the results of those studies are in place.

I am very glad the minister released the information that he did last week. We found it very interesting. In fact, we found it particularly interesting that of the six sewage treatment plants that are showing detectable levels of PCBs, four are operated by the Ministry of the Environment. Of the 15 sewage treatment plants showing detectable dioxins and furans in the sewage sludge, eight are operated by the Ministry of the Environment.

Without waiting for further studies and further examination of options, can the minister tell the House very precisely what he intends to do to clean up his own sewage treatment plants?

**Hon. Mr. Bradley:** The member confuses—I know not intentionally—this for the public, as others do. I have heard this on a number of occasions. She makes it sound as though we have a sewage treatment plant that is there to produce dioxins, furans, PCBs and so on. That is not the case. They come from industries and other sources.

The purpose of the sewage treatment plants we have in effect is to treat as well as possible and as well as technology permits in 1987 the materials that come down there. We do not produce them. We have the sewage treatment plants there. The fact is that for the sewage treatment plants we employ at the present time we put on the best available technology at the time and then we upgrade it.

As the member knows—she has said on many occasions that she agrees with me on this—the real problems are those materials that are put into the pipes of Ontario and end up in the sewage treatment plants. By getting at the sources in those pipes and eliminating those sources from

getting into the pipes, they are not stuck in a sewage treatment plant.

The member has never heard me say, as some people have said in the past, that sewage treatment plants are the solution and that you somehow build a sophisticated sewage treatment plant that gets hold of and captures everything. The member knows that is not true. I think environmentalists in this province know that is not true. We are going to do as she would like us to do: first, get at the sources that get into the sewer system, and second, put as sophisticated equipment as possible on all plants.

#### MINISTER'S ROLE IN TRANSMISSION LINE DECISION

**Mr. Sterling:** I have a question of the Premier. On Thursday, I asked the Premier a question with regard to a conflict of interest in relation to our Attorney General (Mr. Scott). Today, I have written to John Black Aird and asked him to look into this whole matter with regard to a conflict of interest relating to the Bridlewood hydro corridor. Will he now ask Ontario Hydro to cease and desist with regard to all work on that corridor until Mr. Aird has given us his opinion?

**Hon. Mr. Peterson:** No, I will not. I say to my honourable friend that he has done the correct thing. He has put the case before Mr. Aird, the acting independent commissioner, and he will give the member his opinion on the matter.

We are not going to hold up progress around here every time somebody stands up and alleges a conflict of interest, because I am sure we would hear much more of that. Every time anybody in opposition wants to stand up, he can allege a conflict of interest whether in fact it is right or not. They have every right to do that but they cannot expect government to stop functioning in the process. The member has written to the commissioner and he will give an opinion back. If he comes to the conclusion that there is, obviously we will have to deal with it.

**Mr. Sterling:** I would have thought the Premier might have shown a little bit more sensitivity and leadership towards this issue with regard to the people of Bridlewood. They feel very definitely that this Attorney General has had a conflict of interest with regard to this case.

I should also point out that it took only two days for Hydro to appear on the site and start construction after the residents of that community were told about the decision of cabinet. Since they are intending to go to court this Thursday with regard to an interim injunction to stop the



actions of Hydro, will the Premier not save that community the expense of having to go through that matter and give it a fair hearing at this time? They deserve a fair hearing once and for all.

**Hon. Mr. Peterson:** I say to my honourable friend that I understand his point of view on this particular matter, but surely, as a former member of the executive council, he understands the position the government is in as well. Fair hearings? How long has it been going on? Three or four years? Altogether, there have been hearings of the joint board, it has been to court and back and forth—

**Mr. Sterling:** That is part of the problem.

**Hon. Mr. Peterson:** I understand that the person who does not like the result will feel there has not been a fair hearing, but it has gone on for ever, as my honourable friend will know. Obviously, we will never want to impair the rights of the people there to take it to any level of appeal they choose. But every time my honourable friend stands up and alleges some conflict of interest or somebody suggests that the government should not be doing something it is doing, it would bring government into complete paralysis.

I say to my honourable friend that I believe there has been a fair hearing on this, and I think it has to proceed and government has to make decisions some time. In the interests of all the people of this province, you cannot just sit back with every criticism that comes along and stop running the government.

**Mr. Breagh:** On a point of order, Mr. Speaker: I do not want to take very long, but I would like you to take into consideration a very vexing problem that now faces members of the standing committee on the Legislative Assembly.

We have had referred to us the conflict-of-interest bill. The bill will be carried in committee by the Attorney General. We have just heard an allegation about the Attorney General having a conflict. I am questioning now in my own mind how the committee will proceed to carry a bill by a member against whom there has now been a formal allegation lodged with the interim commissioner.

I would not ask for a ruling on it now, but I would like you to take that matter under consideration, and perhaps before we adjourn for the break and the committee begins its work to process that bill further, address yourself to the obvious conflict of a minister carrying a bill on conflict of interest when there has been a formal complaint lodged with the commissioner.

**Mr. Speaker:** The member has brought a point to our attention and has requested that I look at it. I certainly will.

#### NORTHERN BROADCAST SERVICES

**Mr. Miclash:** My question is to the Minister of Culture and Communications. I am sure all members here are aware of the importance of television as a form of communication in northern Ontario. Television provides our northern communities with information links to our southern neighbours. It can also be an exciting forum for a strong link between the northern communities. Yet because of our low population density and often rugged geographic conditions, it has been difficult for us to obtain a wide variety of TV programming in the north. Is the minister aware of this situation and has she taken any steps to remedy it?

**Hon. Ms. Munro:** Yes, we are aware of the restrictions placed on northerners in getting accessible broadcast and nonbroadcast services into the north. In fact, for the first time as a province, we appeared before the federal standing committee on communications and culture to express our dismay.

There are several things we are trying to do right now, and I will just go over them briefly. We have what are called low-power rebroadcast transmission systems which go into uncabled communities, very small communities that the member, being from Kenora, no doubt is aware of. We do that in co-operation with other ministries, most notably the Ministry of Northern Development and the Ministry of Transportation. That program has seen \$8.6 million put into it by the end of this fiscal year, 1986-87.

In January of this year, I believe the Minister of Transportation (Mr. Fulton) announced another program which would ostensibly look to very specific cable initiatives for television extension in the north. It would also involve the private sector, native community groups and on and on. We have gone on a very extensive public relations campaign and have over 105 applications for that particular northern extension program or, as we call it, TENO, the television extension to northern Ontario program. Of course, the TVOntario program has been going since the early 1980s. We hope that with Canadian Radio-television and Telecommunications Commission approval, we will be able to reach out in a more meaningful way to the north.

1450

**Mr. Miclash:** Some northern communities still do not have access to TVO. TVO has an



excellent program schedule, and my constituents want to be able to benefit from its educational and cultural shows. Has the minister made any plans to ensure equal access to TVOntario for northerners?

**Hon. Ms. Munro:** Yes, we have. Under the low-power rebroadcast transmission program, we are looking at 15 applications now and will make announcements in mid-December. In addition to that, those uncabled communities also have access to the TENO program. If they do not have cable facilities or if private industry does not take up on the offer, then we will provide money to that program for those communities to be accessed. Kenora, for example, stands as a project application in very good stead, and we hope to be able to make an application to put that system in for TVO in the spring of 1988.

#### CHICKEN INDUSTRY IN NORTHERN ONTARIO

**Mr. Pouliot:** I have a question for the Minister of Agriculture and Food. The minister knows full well that, as a result of his decision, consumers in northern Ontario are still importing their chicken from Manitoba. The minister is also aware that the Trotters from Nakina have been trying for well over a year to obtain permission for a quota system whereby the degree of consumption would be reflected by an equal degree of production in northern Ontario. The minister's own Premier (Mr. Peterson) is on side. As a matter of public record, he supported the Trotters' initiative and, if my memory serves me correctly, termed it a tragedy that the north has never been the recipient of a quota. The Minister of Correctional Services (Mr. Ramsay) has asked the minister directly to make an allocation to northern Ontario.

Why is it, then, that in the face of this storm of reason, he stands alone indeed and still refuses to create social justice by at long last allocating a quota system for the people of northern Ontario?

**Hon. Mr. Riddell:** I thank the honourable member for his question and also for his concern. I was not with the Premier when he made his comments, but the reports I read indicated that the Premier expressed dismay that there was a lack of chicken quota policy in northern Ontario.

When the Trotter case first came to my attention through a request that I review the tribunal decision, I became somewhat concerned that there did not seem to be a chicken quota in the north, as there was a milk quota and egg quota, so I immediately instructed the Farm

Products Marketing Board to work with the local supply management boards to assess their quota policy as it pertained to the north and to endeavour to take whatever measures were required to get quota in the north for chicken, as there is for milk and eggs.

**Mr. Pouliot:** Goodwill alone will not do it, but the minister has another crack at it. In fact, I am quoting from the Canadian Poultry magazine, which indicates, "Commencing on January 1, 1988, Ontario will receive an additional 4.5 per cent of the quota."

Under this endeavour, will the minister make a commitment, sort of give us a guarantee, that the one tenth of the population that occupies nine tenths of the land will no longer have to come to southern Ontario, stay for a period of two years and then run away or import the quota up north; and that under that 4.5 per cent, by the stroke of a pen—that is the minister's job and he can do it—he will do it so that the people of the north will be able to lessen the cost of chicken per pound by as much as 25 per cent if they are able to produce it up north?

**Hon. Mr. Riddell:** I think the honourable member would agree that the first thing that is required is a feasibility study. The honourable member knows there are no processing plants in northern Ontario for chicken; absolutely none. The honourable member knows that historically there has not been a chicken industry in northern Ontario. That has to tell the honourable member, as it tells me, that for some reason a chicken industry to this point in time has not been feasible in northern Ontario or there would have been an industry there before now.

What I am going to do, and I am going to do it within a very short period of time, is have a feasibility study done. If indeed it shows that there can be a profitable chicken industry in the north, then I will take whatever measures I can to see that we do get a quota policy established for northern Ontario.

#### RADIOACTIVE SOIL

**Mrs. Marland:** My question was for the Minister of the Environment, whom I did see speaking over here; there he is. It is based on the fact that a few weeks ago, when the Minister of the Environment responded to a question from my colleague the member for Markham (Mr. Cousens) regarding the removal of the radioactive soil from the properties on McClure Crescent, the minister said there were problems related to ongoing actions within the court. Can



the minister tell this House exactly what court actions he was referring to?

**Hon. Mr. Bradley:** A couple of court actions have taken place. The government of Ontario has been involved in some court action in a couple of instances and it has looked at the appeal process I believe as well that has potential from those. When I discussed this with my ministry officials, I did mention that potential for appeal and the appeal period of time and so on that would take place. I also indicated, as the member would know, that the word "radioactivity" should put in her mind something to be dealt with by the federal jurisdiction.

**Mrs. Marland:** The minister must know now that the decisions have been made on all the major court cases regarding this problem. He also knows that the federal government has formally indicated to his ministry that it has been ready to move the soil since the appeal period of the Reesor Road group was up. That appeal period was up in the middle of September, which is three months ago.

Surely the minister cannot be relying on the federal task force report released yesterday saying that it could take up to five years to select a site for the long-term disposal of low-level radioactive waste. We have at least a temporary site. These people have been waiting long enough. What is preventing the minister from moving the soil?

**Mr. Brandt:** Lack of will.

**Hon. Mr. Bradley:** The leader of the third party obviously has a suggestion as to where the soil should go. I agree with the member for Mississauga South. I too was disappointed in the report that the federal government came forth with.

I think many of us felt that rather detailed study of the task force would produce a solution, not only for Ontario but also for Canada. The federal government has jurisdiction for matters dealing with radioactivity and nuclear wastes and, therefore, I was hopeful, as I am sure the member was, that the federal government would have had a solution to our problem.

If the member would like to say to the residents of any specific part of the province where she would like the radioactive soil to go to, I would be happy to tell the residents of that part of the province that she would like the soil to go there.

On the other hand, I can say to the member that we are hopeful, after further consultation, that the federal government, with its great expertise and with its sole jurisdiction over radioactive

material, will be of some assistance in helping us in finding a solution to this problem.

Certainly, I am willing to entertain any and all suggestions that the federal government might make. I cannot commit myself to accepting any of their suggestions or recommendations but I can certainly commit myself to further consulting with them. Perhaps the member's better course of action—

**Mr. Speaker:** Order. New question.

1500

#### BLOOD TRANSFUSION SERVICE

**Mrs. O'Neill:** I have a question for the Minister of Health. As the minister is aware, the Ottawa Centre blood transfusion service of the Canadian Red Cross Society provides an essential and vital function, meeting the needs of 29 hospitals and serving over one million people in eastern Ontario.

The minister is also aware, from my previous discussion with her, that the Ottawa centre is overcrowded and is anxiously awaiting funding which will enable it to construct suitable facilities. Could the minister please tell the House what stage the capital funding process is at?

**Hon. Mrs. Caplan:** Let me acknowledge the concern of the member for Ottawa-Rideau and respond by saying that I recognize the need for a new transfusion centre in Ottawa. It is my understanding that the ministry is in the process at this time of reviewing the master planning documents and will be meeting with the Red Cross to discuss these plans very shortly.

#### LABOUR DISPUTE

**Ms. Bryden:** On Saturday outside the Eaton Centre, I joined a group of workers from McGregor Hosiery Mills who have been on a legal strike for about two months to obtain fair wages and working conditions. The workers and their supporters were asking shoppers to boycott McGregor socks because the company was paying wages of only about \$6 an hour, was employing strikebreakers and was not bargaining in good faith.

When is the Minister of Labour going to bring Ontario's labour laws into the 20th century and protect workers like these from employers who use strikebreakers and other unfair labour practices, such as the section 40 vote, as a substitute for genuine collective bargaining?

**Hon. Mr. Sorbara:** The labour dispute the member for Beaches-Woodbine is referring to has indeed been one that has had a great deal of



tension, and the parties have not been able to come to an agreement on a whole host of matters. She may know, however, that at this point the matter is within the jurisdiction of the Ontario Labour Relations Board in many respects. I add, however, that as a result of a request under—I cannot recall the section of the Labour Relations Act—there is a vote on the employer's last offer right at this point. I do not want to say much more about the dispute at McGregor Hosiery under the current circumstances.

**Ms. Bryden:** Is the minister aware that McGregor Hosiery is using the free trade deal as a reason for keeping these women's wages below the poverty line here in Canada in order to compete with low-paying United States companies? Is the minister prepared to support that kind of collective bargaining under labour laws in Ontario which permit this kind of unfair practice? Will he adopt the bills introduced by my colleague the member for Hamilton East (Mr. Mackenzie) to outlaw strikebreaking as well as to bring other improvements to our collective bargaining process, which would resolve this kind of situation?

**Hon. Mr. Sorbara:** I am not sure exactly what improvements to the Labour Relations Act might have resolved the situation at McGregor. I am familiar, obviously, with the proposals the member for Hamilton East has introduced in this House. I think I have told him on a number of occasions, and I will tell my friend the member for Beaches-Woodbine, that we are in the process now taking of a thorough look at the Ontario Labour Relations Act and considering a wide variety of amendments. As we do that, there will be a process of consultation put in place where, I am sure, the issue of whether an employer in certain circumstances ought or ought not to be able to hire outsiders to come in and take the jobs of workers will be thoroughly canvassed.

We are not going to be able to answer that question today here in the House in the course of question period, but I just tell my friend and, through her, those workers at McGregor Hosiery that a wide variety of reforms are being looked at. Unfortunately, we are not in a position to bring about changes that would help in this specific dispute.

#### ARBITRATION BOARD RULING

**Mr. Harris:** I have a question for the Minister of Labour. A recent Ministry of Labour arbitration ruling forces Humber College to give a warlock or a witch two days off with pay to

observe high holidays. At the risk of being struck by lightning, I wonder if the minister can tell this House if he agrees with the ruling and if he really thinks taxpayers should be forced to subsidize witchery in this province?

**Hon. Mr. Sorbara:** I am not sure that if lightning struck the member for Nipissing, it would do much damage. I am not sure he should worry about that. He is one of the sturdier members of the third party. I think he has withstood a lot before and he could withstand that.

I am not really sure it is appropriate. I am familiar with the ruling. I have read about it. As Minister of Colleges and Universities in the last parliament, I knew the issue was before arbitrators and I think now before the board. The decision has been made by an appropriate adjudicative body and I think we just live with that ruling.

**Mr. Harris:** I am not sure that is the answer the people of Ontario are waiting to hear from one of the cabinet's most famous conjurors. We are talking about Charles Arnold, elder of Spendweik Coven, if that is how you pronounce it, which he founded in 1984. They say witchery is misunderstood and I admit I am one who does not understand. I do not understand how this government—

**Mr. Brandt:** Where were they in the last campaign?

**Mr. Harris:** They were obviously on our campaign team.

**Hon. R. F. Nixon:** When you really needed them they were living in Sarnia.

**Mr. Harris:** I admit I am one who does not understand. I do not understand where they were either.

I do not understand how this government can recognize a religious entity formed just three years ago by a witch in Ontario, because that is what this ruling does. Before anyone starts to declare Hallowe'en a national holiday, will the minister assure us that he will review this decision and its ramifications with respect to more traditional religions in Ontario and with respect to government consideration given religions?

**Hon. Mr. Wrye:** Which decision is it?

**Hon. Mr. Sorbara:** My friend asked me which decision the member for Nipissing wants me to review.

Obviously, we have to look at this in a slightly broader context and find out which avenue we might take as a result of the decision. It is actually



news to me that the organization, the coven I think it is, was formed in 1984. I am not sure the newness or oldness of the tradition is the appropriate factor one might look at.

There are a number of questions this decision raises. If my friend the member for Nipissing is suggesting that, whether under the Ontario Labour Relations Act or more appropriately perhaps the Employment Standards Act, laws applying to Sundays, holy days, Saturdays, Fridays, depending on the faith one adheres to, might be part of a consideration that we might undertake under a review of the Employment Standards Act, certainly I do not think that would be an unreasonable request. I think my predecessor, now the Minister of Consumer and Commercial Relations (Mr. Wrye) had undertaken some of that. If my friend wants me to look into witches while we look into a number of other things under the Labour Relations Act, I can only tell him that I would be delighted.

**Mr. Speaker:** I inform all members that I think that was an 80-second response.

#### VISITOR

**Mr. Speaker:** I would like to inform the members that in the Speaker's gallery we have with us today Donald Paterson, former member for Essex South. Please welcome him.

1510

#### PETITIONS

##### NATUROPATHY

**Mr. Dietsch:** It gives me pleasure to introduce to the House a petition from the naturopaths group. I have a petition signed by 80 individuals from my riding or close to my riding that would introduce legislation to guarantee naturopaths the right to practise their art and science to the fullest without prejudice or harassment. I would like to present this to the House.

##### WASTE DISPOSAL

**Mr. Poirier:** I have two petitions. The first is from hundreds of citizens against site 10, which is one of two preferred sites in Ottawa-Carleton for disposal of waste. These people oppose very strongly the choosing of site 10.

##### EDUCATION FUNDING

**Mr. Poirier:** The second petition is addressed to the Lieutenant Governor by the people of the parent-teacher association of Our Lady of Wisdom Roman Catholic Separate School in Carleton, more precisely in Orleans. They are petitioning the government to make sure that in

the next allocation for schools, the east of 10th Line English-Catholic elementary school is accorded.

**Mr. Speaker:** I have called for petitions and it is very difficult to know which members are standing to present petitions. Are there any more?

#### REPORTS BY COMMITTEES

##### STANDING COMMITTEE ON SOCIAL DEVELOPMENT

Mr. Adams from the standing committee on social development reported the following resolution:

That supply in the following amount and to defray the expenses of the Ministry of Skills Development be granted to Her Majesty for the fiscal year ending March 31, 1988:

Skills development program, \$317,011,900.

##### STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Mr. Laughren from the standing committee on resources development reported the following resolution:

That supply in the following amount and to defray the expenses of the Ministry of Industry, Trade and Technology be granted to Her Majesty for the fiscal year ending March 31, 1988:

Ministry administration program, \$7,905,400; policy and technology program, \$25,124,000; small business, services and industrial assistance program, \$62,508,800; industry and trade expansion program, \$25,528,900; northern industry program, \$5,197,800; Ontario development corporations program, \$28,093,800.

#### INTRODUCTION OF BILLS

##### CONSERVATION LAND ACT

Hon. Mr. Kerrio moved first reading of Bill 68, An Act to promote the Conservation of Certain Land.

Motion agreed to.

##### EDUCATION AMENDMENT ACT

Hon. Mr. Ward moved first reading of Bill 69, An Act to amend the Education Act.

Motion agreed to.

**Hon. Mr. Ward:** Just very briefly, this bill is an omnibus bill. It deals with a number of issues that have accumulated over the last several years. Specifically, the bill is divided into six sections dealing with the following items: Metropolitan Toronto School Board, school business and



finance, attendance at schools without payment of fees, school board powers and requirements, French-language governance and special education.

#### ANSWERS TO QUESTIONS IN ORDERS AND NOTICES

**Hon. Mr. Conway:** Before orders of the day, I would like to table the answer to question 21 and the interim answer to question 31 standing in Orders and Notices [see appendix for final sitting day of December].

#### ORDERS OF THE DAY

##### MUNICIPALITY OF METROPOLITAN TORONTO AMENDMENT ACT

Hon. Mr. Eakins moved second reading of Bill 29, An Act to amend the Municipality of Metropolitan Toronto Act.

**Mr. Eakins:** The enactment of this legislation will implement a system of direct election to the council of the municipality of Metropolitan Toronto. Starting with the next municipal elections in 1988, Metropolitan councillors will be able to devote their full attention to Metro issues. The Metropolitan council will be composed of 28 directly elected Metropolitan councillors, plus the mayors of the six area municipalities. Each area municipality will have a specific number of Metropolitan councillors based on the principle of representation by population.

As the members know, an alternative method of balancing representation and population would be to increase the size of the Metropolitan council. This was requested by the council in 1985. However, not one of the six area municipalities, in responding to the recent task force report, has supported that alternative.

This bill provides for the creation of 28 Metropolitan wards. One Metropolitan councillor will be directly elected by the electors of each Metropolitan ward at the regular municipal elections. The term of office will continue to be three years. Only the six area mayors will serve on Metropolitan council and an area council at the same time.

To be eligible for election to the Metropolitan council, a candidate will need to be eligible to be elected to the council of the area municipality in which the Metropolitan ward lies. In other words, to be eligible for election in a Metropolitan ward in Etobicoke, for instance, a candidate must be eligible to run for the Etobicoke city council.

The bill sets out procedures for the establishment of Metropolitan and local wards in time for

the 1988 municipal elections. The area municipalities will be required to submit to me within 60 days of the enactment of the legislation a proposal regarding their local ward boundaries and council size. Criteria for these ward boundaries are set out in the bill. Flexibility will be allowed in order to establish Metro and local wards in time for the 1988 municipal elections.

During the startup period, Metropolitan and local ward boundaries will be established by order of the Lieutenant Governor in Council. Those orders will take effect at the 1988 municipal elections. After December 1, 1988, ward changes will become the responsibility of the Ontario Municipal Board. The OMB will be able to alter the ward boundaries in accordance with the legislation, but will be required to ensure that local wards are within Metropolitan wards. Any order of the board will take effect at the next regular election.

This legislation provides for the abolition of the remaining boards of control in those Metro cities that still have them. The arguments for and against retaining these boards have been carefully considered. In my opinion, the existence of boards of control complicates the present system and detracts from the accountability of the councils. I believe that the abolition of boards of control will leave area councils with a simpler and more accountable system. The area councils will, I should add, be permitted to establish standing and other committees and assign them such duties as they wish.

The legislation will make a number of other changes relating to the implementation of direct election. For example, the Metropolitan chairman will be elected from among the 28 directly elected Metropolitan councillors. Each member of Metro council, including the mayors, will be able to vote for the position of chairman. However, the mayors will not be eligible to be elected as chairman.

#### 1520

I want to emphasize that for the first time the chairman will be required to win and retain a seat on the Metropolitan council in order to run for the position of chairman. The chairman will be directly accountable to voters as well as to Metro council. Each member of the Metropolitan council will have one vote on all council matters. In order to fully represent his or her constituency, the chairman will also be a full voting member of the council. The chairman will no longer have a tie-breaking vote as is now the case.

Implementation of direct election also requires certain amendments to the provision dealing with



the vacancies and resignations. Because Metropolitan councillors will serve exclusively at the Metro level, the Metropolitan council will be authorized to declare the seat of a directly elected Metropolitan councillor vacant. The Metropolitan council will also be permitted to fill vacancies according to the provisions of the Municipal Act, that is, either by election or by appointment.

At present, the appropriate area council fills a vacancy on the Metropolitan council by appointing one of its own councillors. The area council then has the option to fill that vacancy on its own council by either election or appointment. Under the new arrangements, the Metropolitan corporation will be required to pay to the area municipality all area expenses of an election held to fill a vacancy on the Metropolitan council.

An important aspect of this legislation is that all provisions dealing with the Metropolitan executive committee are being deleted. Instead, Metro council will be permitted to establish an executive committee and to grant it such duties as the council wishes. The Metropolitan chairman will chair and be a member of any executive committee that is established.

A number of other housekeeping measures have been made necessary by the implementation of direct election. For example, the first meeting of the Metropolitan council will have to be held within 14 days of the beginning of the term of office. The clerks of the area municipalities will be required to forward to the Metropolitan clerk certificates of qualification for those councillors elected in Metropolitan wards within that municipality.

In the provisions dealing with the election of the chairman, the word "person" will be replaced with "Metropolitan councillor."

I believe that these amendments constitute an important milestone in the evolution of the system of municipal government in Metropolitan Toronto. I might add that five municipalities of the six are supportive. Metro council has discussed this on a number of occasions and has been unable to make a firm decision. I believe that now is the time to act.

**The Deputy Chairman:** Do members wish to comment or have questions on the minister's statement?

**Mr. Cousens:** Why did the minister or the ministry not bring forward this bill earlier than it did, realizing that there was a task force that had done extensive studies on this matter and brought out that excellent report in November 1986? It took until a year later to bring the bill forward. In

fact, there is the former minister who asked for that task force in a very wise and deliberate way.

Notwithstanding that, it has taken this long for this bill to come forward. Then our new Minister of Municipal Affairs (Mr. Eakins), as quoted in the *Toronto Sun*—and who knows how well the honourable minister is quoted at times?—intends to rush through this legislation at Queen's Park in such a way that maybe not all factors are being considered.

How much time was spent on the preparation of this report? An extensive period of time. There were previous reports of this nature as well that were done that would have given the ministry a good insight into the complications of the bill that is before this house right now. Maybe what the Legislature is facing up to is that the ministry wants to ram it through and not have the opportunity for feedback, discussion, amendments and possible refinement of this bill in such a way that it is going to begin to address the needs of Metropolitan Toronto.

I would be interested in knowing why it took so long. I am sure the previous minister was very busy and I would not want to see the present minister blame the previous minister. I would think that would be in very bad taste because he is such a qualified and capable man, but if he wants, we would be willing to at least put that on the table.

**Mr. Mahoney:** I wonder if the minister might comment on the possibility of expanding this concept. Regional government is what we are really talking about, of course, and while there are many concerns related to the Metropolitan Toronto situation, I think it would also move into other areas of representation, the election of regional chairmen. I know that at the regional chairmen committees that meet regularly, for example, there has been a lot of discussion about how regional chairmen are elected and whether or not they are truly representative of a democratic system under the current system.

I quite support the minister's efforts in revamping the Metropolitan Toronto council, it being, I guess, the fourth-largest government in the country and a very major tax collector and spender in the greater Metropolitan Toronto area, where many of the regional population work and are supportive of Metro government and require its services from time to time.

I think there is a further outreach that should be looked at by the minister and his staff as to whether or not they should be expanded, taking into account regional governments; election, direct election, election of chairmen and all of the



different aspects; abolition of particular boards of control that might exist in certain regions and not exist in others, and certain inequities that exist throughout the province. Regional government is not that old and perhaps should be reviewed by the minister and his staff throughout the entire province.

**Hon. Mr. Eakins:** I just want to respond briefly to some of the comments that have been made. The critic for the third party made some suggestion about the possibility that this has been rushed through. I want to tell him that this has been given a great deal of consideration, not only by myself in the last few months but certainly also by my predecessor and colleague the former minister.

There has been extensive consultation on this. Each municipality was represented on the task force. My colleague the former minister met with the mayors and the chairman four times in 1986 to discuss the work of the task force. The previous minister, I know, wrote twice to each mayor and the chairman requesting responses to the task force.

Most municipalities and the taxpayers' groups that wrote in directly support the reform of Metro council, and the Metro reform has been the subject of several other studies, back to the Robarts report and even beyond. In all the discussions that have been held, there has been minimal opposition and indeed there is support from all municipalities. While perhaps one or two of the mayors have had some questions to ask, basically, other than the one municipality, the support has been very strong indeed.

We have had a great deal of support for bringing in this reform and I am asking the support of the honourable members of this House that we might now get on with it so that we will be in time for the 1988 elections.

The member for Mississauga West (Mr. Mahoney) suggested the expansion of this direct election to the regional areas, the regional municipalities. I might say that there already are three regional reviews under way and—

**The Deputy Speaker:** The minister's time is up; I am sorry. Do other members wish to participate in the debate?

**Mr. Breagh:** We support the bill. We have for some time called for something as dramatic as having the most powerful political person in Metropolitan Toronto elected to something somewhere, and that is the centrepiece of this proposal. It provides for other forms of direct election as well and I think it addresses itself to a

problem that has been bothering people for some period of time.

I am interested that there are those who say something is being rammed through here or some process is being rushed upon us. Surely this is a 20-year rush that is going on here. This has been talked about in as many forums as I can think of. It has been the subject of staff discussions for a couple of decades. It has certainly been the subject of discussion among politicians, among people who are interested in regional government. There have been several attempts to put together legislation here at Queen's Park. There have been a little more active attempts to do that and a little more pointed attempts to do that in the last couple of years.

1530

You could fault this government for many things, but it certainly did not rush into this one. The previous government sat on this idea for about two decades and talked about it, referred it and had staff reports and public hearings on it. Council meetings were held on it, committees of council held discussions about it, municipal organizations discussed it; just about everybody you can think of in Metro Toronto who had any connection with Metropolitan government has had an opportunity over the last two decades to voice an opinion on the matter. So I would accuse them of many things, but rushing is not one of them.

It is true that we have come down to the idea that is being specifically proposed in this bill after all of this deliberation, and we have not had lengthy debates. Perhaps that is because there are some of us who think that 20 years of debate is enough.

There are some problems that are related to this bill and I think we have to address those concerns today, although we will not get solutions to them. There are many who are saying specifically that one of the things that is difficult to do is to say whether you are for or against this idea until you know what the boundaries are. I accept that as a valid argument, that there will be a provision in the bill—there is—to make a mandatory, nonappealable set of boundaries apply to the first election, and that after that, the normal process of Ontario Municipal Board appeals and so on will kick into place.

It then becomes critical that those boundaries be absolutely above suspicion by anyone. I know many local politicians in Toronto who are very much proponents of the direct-election concept and are rather fearful now that they may have been sold a bill of goods because they are not



being kept as posted as they might be as to precisely what the boundaries will be.

Those of us who have been in politics for a while know that it is conceivable—it has been done in the history of Canadian politics—that boundaries are drawn in certain ways to help along the interests of certain individuals. I want to put forward this afternoon the caution that it is incumbent upon the ministry to make sure that the first set of boundaries that is drawn is absolutely without question, so that no one can point a finger and say there was gerrymandering going on.

Because the ministry has made this and has given itself the arbitrariness of, “We’re going to set them for the first go-round and then after that the normal appeal processes can kick in,” it will be critical that the first suggestions for boundaries be ones that cannot be accused by anyone of being wrong. That is going to be a difficult task. There will be some who will say, no matter what the ministry does, that the process was wrong, that the end result was wrong and that, in effect, the ministry has put some problems on people for at least this set of elections, perhaps ones that will last for the foreseeable future, because it is not going to be easy to draw those boundaries in the first instance, and once they are in place, tradition will take hold and it will be difficult to change those. The ministry seems prepared to take on that task. I am just trying to caution the ministry that it will not be an easy thing to do, and it is going to be a critical factor in what is being suggested here.

The first major problem that I see the ministry having, if it gets this bill this afternoon—and it appears that it will—will be to ensure that it does not get accused later on of gerrymandering, of setting up a set of boundaries that is to anyone’s particular personal political point of view, which would be quite wrong, or something that is really going to be very difficult to accommodate.

It is conceivable—at least, I can conceive it—that the ministry would draw up a set of boundaries in Metropolitan Toronto that is totally unrealistic and that in fact puts people who are running for public office, for this Metro council position, in the kind of electoral competitiveness that none of us has. We know that when the provincial commission sets its boundaries, we always have these arguments that the commission does it by an arbitrary number system, as it did the last time around. Sometimes that produces results which do not make sense to anybody, where there are divisions within communities that are not sensible, where there is

no cohesion to the boundary that is struck, and that causes problems.

So it is not an easy task that is before the ministry and I am simply trying to caution it that because it has removed the appeal process, it is going to have to be squeaky clean, and it had better be.

We have private assurances that will be the case. There are people with great integrity drawing this up. In addition to having great integrity, I hope they have great wisdom. It is a task that I, personally, would not choose to take on.

The second thing is not as directly related to this bill, but you cannot escape it. The *Globe and Mail*, for one, is full of stories these days of folks who are getting ready for this set of elections that will be covered by this bill—folks who have had some very successful fund-raising events—and yet we have no election expenses act. We have a statement by the minister and, as I read it, that statement means the government intends to bring forward legislation which will not apply to this first election; it will kick in for the second one, but may not be ready in time for the first one.

I hear people interjecting here—and I just want to put on the record this afternoon, I have been around here just long enough to know that you believe the legislation when somebody prints it up and puts it on Orders and Notices. You do not believe it until you see that. People who have been here for a while have heard ministers get up and make statements about what they intend to do for a long time and it just never happens. People voice private opinions about what should be done and it just never happens.

So in this place, the thing you have to do is believe it when they print it up and table a bill and not before. That is perhaps a little bit cynical but it is also reality. There are all kinds of good intentions float in and out of this chamber, but you do not believe anybody’s good intentions until they have the audacity to introduce legislation, print the bill, put it on Orders and Notices. Even then, the closets are full of bills that were introduced and never were processed here.

The second major problem that I want to put on the record this afternoon is: What are we going to do about all of those people who have stated publicly their intentions to run in the next municipal election that is covered by this bill and who, according to the *Globe and Mail* anyway, have got substantial war chests put together, the election expenses statement notwithstanding? They have \$200,000 or \$300,000 already in the kitty, I am told, according to the *Globe* reports.



Will the \$200,000 already collected be used to run an election or will it buy somebody a new Cadillac? As long as it is a GM product, I do not care, but, you see, there are no rules at work now. We have only the statement that there will be some rules, but they are not in place yet. I want to caution again that the whole process that everybody has worked so long for may be thwarted by someone who has already got a whole bunch of money put together and will be able to run a more expensive political campaign than most members in here run.

There are some members in this chamber who go out and spend a passel of money at election time, even though there is an Election Finances Act. I spent \$50 on advertising. There are some in the chamber who spent a bit more than \$50 for advertising, but there is a practical political problem that is emerging here.

The legislation which governs the election itself is here in front of us this afternoon. The legislation which would, theoretically, govern election expenses in a Metro election is not here. There may be some who will stand up next fall and wave the minister's statement and say, "Here is our intention." But the truth is, unless you can get up and wave the bill that has been passed in the chamber, it is no good. It does not count and people know that. They know there is a way to make laws and there is a way to make statements, and there is a difference between the two. So I, personally, would have been happier had we seen the two proposals brought forward at the same time.

The Election Finances Act, to be fair to the minister, is one which will apply province-wide and as one who has been a proponent of that concept for some time and argued it out with people from all across Ontario, I am the first to admit that is a very difficult piece of legislation to put together simply because elections at the municipal level are very different animals in rural Ontario than they are in downtown Toronto and it is not an easy task to put that together.

What I am arguing is that it would have helped us immensely this afternoon if we had been able to say, "Here are the two companion bills. One covers direct election in Metro," which will introduce for the first time a major electoral change in Metropolitan Toronto and will create an electoral process which is large, complicated and, I believe, sophisticated, and that also means expensive, in terms of actually operating an election. Whether anybody likes that or not, that is a fact of life.

**1540**

It would have been nice to say, "Here is the one bill which creates direct election in Toronto and here is the other bill, the companion piece of legislation, which governs election expenses." It would have been really nifty if we were able to do that at a time when one of our major newspapers was not running a scandal a day on how municipal politicians dig up their funding. How much it was and who bought \$100-a-plate tickets and the allegations about the development industry and the development plans for downtown Toronto kind of go hand in hand here.

It is an awkward moment we are in, in part. If we had known and if the House had any control over the timetable of all this—we did not know when the *Globe and Mail* would write this story, obviously, but we did know when the government would introduce Bill 29 and the government apparently has at least thought enough about the process that it can make a statement about what it intends to do on election expenses. I am simply making the argument that it could have made a stronger case if we had two companion bills going through the legislative process at the same time.

The final thing I want to comment briefly on this afternoon is that it is my understanding, and I was not a big player in negotiating this deal, that the bill is going out to committee. I have no real objection to that. I am at a bit of a loss to explain why it is going out to committee. If the purpose of the exercise is to process the legislation, that makes some sense to me. If the process is to have one more brief set of public hearings, I certainly have no objection to that. But I cannot imagine that this bill is one which now would be subjected to a further, lengthy series of public hearings.

It seems to me we have gone through an immense public hearing process around this concept. It is my understanding that the general intention is that there will be a brief set of public hearings—in other words, an occasion for those who still want to make the argument to come before a legislative committee and do it—and the intention is that we will probably also process the clause-by-clause debate of the bill and then try to report it back by the supposedly brief one-week February sitting.

I think I will have a small heart tremor if I ever get to see a promised one-week sitting actually be a one-week sitting. It has never happened. Every time I have been here as a member and they call us back just for one little piece of business, it always seems to turn into several little pieces of business that spill over into the next week. Of



course, since you came down from the north on Monday, you might just as well stay until Thursday and then on Thursday afternoon someone else has a piece of legislation that has to happen too. It is theoretically possible that might happen.

We support the concept that is here. This is not quite what I personally would have designed, I suppose. It is not perhaps the way to apply things across Ontario in terms of other forms of regional government. I would say that the inevitable is happening. Once you allow democracy to creep into the system somewhere in Ontario, it has an ugly habit of rearing its head everywhere and that is pretty much what is happening here.

Members may recall that in Hamilton-Wentworth people were petitioning on the streets to have some democratic measure used to choose the chairman for their region and last year we did that. This year, although it is not quite what I had in mind, we have a proposal at least to have the chairman of Metropolitan Toronto elected to something, and I accept that. I think we will now see a trend established. After all, if they can do it in Hamilton and do it in most of the other regional governments around Ontario, I think we will simply see refinements in the process.

Let me state one final concern that I have. After having put all of this on the record, we support the bill and the principles in the bill. I have some small measure of concern and it goes back to the other two things I mentioned. Municipal politics is the last place where an individual can begin to do community service in an elected position without going through all the rigmarole of great election processes, where it is possible in many parts of Ontario for good people to be elected to public office on a county council or as reeve in a small town, without really doing anything in the way of an election.

In other words, they are elected to their local council simply because everybody in that town knows them. They do not have to go out and put up big billboards which tell everybody how wonderful they are. They do not have to print a whole lot of brochures which tell outrageous stories about them, and they do not have to rent a dog for the family photo or any of that. They walk up and down the street and people say, "I hear you are running again. I like you and I am going to vote for you," or they say, "You are not a very nice person because you said you were going to fix the pothole on my street last year and you never did."

There is a kind of aura around municipal politics that is a little different from almost all

other levels. It is very much on-the-street politics. It is very much a personal and very much more of a direct kind of political process. What we are doing here moves us just a little bit away from that, probably not because of anything that is in this bill directly but because, when they draw up the boundaries, these are going to be big wards to try to represent because of the nature of the Metropolitan area that is served by this bill. It is going to be a fairly large, sophisticated group of folks who run for public office, and it is going to take a fair amount of political apparatus to get them elected too.

So there is in the back of my mind just a little bit of doubt. I do not want to see local elections in many of our municipalities, as they now are, made extinct. I like the idea that in many parts of Ontario there is no real election campaign for municipal office, not in the traditional sense that signs go up and bands play and lies are told. I like the idea that someplace in Ontario there is a more personal process at work. I would like to see us retain that if we can.

I do not pretend for a moment that you can do that kind of politics on a large scale in Metropolitan Toronto, but I think you can somewhat. I know that many people who now sit on Metro council are very proud of the fact they spend a lot of time working with community organizations. One of the appealing parts of municipal politics is that you get to stay in your own neighbourhood and work out the problems of that neighbourhood and you are not really pestered with all the intricacies of free trade, the Meech Lake accord or anything like that. You are worried about whether somebody gets his street plowed in the wintertime or repaired in the summertime or where you put in a ball diamond, and a lot of what you do is simply to meet with community groups, hear their concerns, work with them and take them through the municipal process.

That is fading out of the scene, and it is particularly upsetting, I guess, for many of us to read the kind of stories that have been in the *Globe and Mail* in the last few days that indicate that in Toronto politics people are gathering up war chests of \$100,000, \$200,000, \$300,000 to get ready for the elections that will be covered under Bill 29 and that many of the people who make such contributions are people who have a direct vested interest in what that council does, that the developers who are attending all of these little cocktail parties in rather lavish downtown Toronto hotels will hand somebody a cheque for \$3,000 or \$4,000.



That sounds like a lot of money to me. Then they will turn around and, because of how that council votes on a zoning matter, they will make \$2 million and \$3 million on one voting decision. Some will make much more than that. I find that a little disconcerting. Somehow we have not served the process well by allowing it to get to this state.

I view this bill as being an attempt to move that system around just a little bit. For example, it has always seemed to me that at the heart of this bill is the idea of direct election of the Metro chairman, by somebody. It always seemed to me to be a cruel hoax that one of the most powerful politicians in Ontario, the chairman of Metro council, was not elected by anybody. It struck me that there is something basically wrong with that and there has been for a long time.

In many of our regions, the people who take over a region when it is established initially are always appointed. Not that that is an intrinsically evil thing. But the person who begins, for example, in the role of regional chairman will set the mould on how that region is going to be structured and function for the foreseeable future. If the chairman of the region decided, for example, "We are not having any staff here. We will just hire consultants from Toronto, so we do not need a planning department or we do not need to build roads," then it would become very difficult for the next chairman to try to get that kind of infrastructure set up. So I believe we have accomplished some things here.

I have tried to put on the record that this is not quite as clean a shot as I would like. It would be cleaner and healthier if we could say this afternoon, "Here is the bill that sets up direct election, here is the bill that calls for election expenses in that direct election and here are the boundaries that are going to be proposed."

**1550**

I am just a touch apprehensive. I know the minister well and he is not one of the ministers who would try to do something devious. I do not suspect for a moment that there is any dirty work afoot here. I am just pointing out that we support the bill this afternoon in principle and we always have, which is not to say that this is going to have smooth sailing.

I can envisage, for example, that if the boundaries come out in a way that everybody thinks is really wrong, this thing is badly off the tracks. If there is not the companion election expenses bill brought forward and processed in time for this election, this one is off the tracks and badly.

I think we are headed in the right general direction. I am just a touch anxious that we could have done a better job on this. It is conceivable to me that we could have put together the boundaries, we could have put together the election expenses package and we could have proceeded knowing that we had all bases covered. As we process this bill this afternoon, we do not, so we are a little bit vulnerable.

I sense that because of the long discussions that have gone into the preparation of this bill, some of that anxiety, some of the fine edge of it, is taken off people who now sit on Metro council, for example. Not all of them are happy, but I do not know of too many laws that go through here that please absolutely everybody.

It seems to me there is very much a consensus on this bill among those who are directly affected by it. It seems to me that it is in line with all the work that was done by Robarts, the clerk's committee and everybody else who has looked at this issue over the years. It seems to me this is a fairly natural evolutionary process that has taken place and the bill before us is absolutely supportive.

**Mr. Cousens:** This is an important bill for Metropolitan Toronto. When something as important as this comes to the House, it is important that there be full and proper debate on it. It is unfortunate, however, that it is such a late time in the whole process of following through on such important legislation.

When we consider that the whole process started well over a year ago and the report that was tabled by the Task Force on Representation and Accountability in Metropolitan Toronto, which analysed the options for government of Metro Toronto, has been in the hands of the minister for over a year—I realize it is a new minister, but it has been in the hands of the ministry for at least that length of time. The concerns that were expressed in this excellent document at least gave options to the ministry on how to address Metropolitan Toronto's boundaries and its future government.

We are talking about an important government in Canada. I may be out a little bit but I think it is the seventh-largest government in this country. That means the decisions they make, the money they spend, the influence they have, all have a tremendous impact on the whole of the community and certainly the community in which this House resides, what we know as Metro Toronto.

First of all, I support the intentions behind the bill. Our party recognizes that important decisions have to be made as they impact on



Metropolitan Toronto and, therefore, the principle of the bill is sound. It is time to review the boundaries, it is time to review the electoral process, it is time to look at the election of a chairman, and it may be time to do some more things that are not covered by this bill.

The member for Mississauga West stood up and asked a question about facing up to the needs of the larger territory around what is Metropolitan Toronto. As one who lives on the north side of Metropolitan Toronto, I think Steeles Avenue is sometimes more than just a street; it is sometimes a big wall. Someone needs to have the perspective of those regional municipalities that neighbour on Metropolitan Toronto and consider the transportation questions, the environment questions, the garbage questions.

There are many things that overlap our communities with Metropolitan Toronto which are not addressed in this bill and, therefore, are not really part of our discussion today.

I am concerned, none the less, that this bill is hastily put together. Being hastily—

**Hon. Mr. Eakins:** Say that again.

**Mr. Cousens:** Does the minister have any amendments to bring forward? Is he saying it is perfectly clean right now? The minister interrupted me. I said it is hastily put together. Is he saying there are no amendments he is going to make because it is just perfectly clean?

**Mr. Faubert:** It is perfect.

**Mr. Cousens:** He knows it is not.

**Hon. Mr. Eakins:** You make the recommendations.

**Mr. Cousens:** I am going to be making more than a few recommendations, in the spirit of the democracy which I am elected to represent. I did not have the discourtesy to start interrupting the minister during his speech, and if he wants to start getting nasty right now, then I am quite capable of doing that. I happen to have in mind the interests of the people of Toronto and the people of North York and the people who make up all of Metropolitan Toronto. I assumed that was his interest as well, so he does not need to start interrupting my remarks, because I was careful not to interrupt his.

**Mr. Ballinger:** Sure looks good on television.

**The Deputy Speaker:** The member will ignore the interjections and will address his remarks through the Speaker.

**Mr. Cousens:** There are a number of concerns that are part of this bill that is before us. I would like to review a number of them that have been in my mind.

I think the goals of the bill are honourable. I think indeed we have to make Metro government more accountable to the voters. I see an important need to improve the framework for local governments' decision-making powers. I also believe—which I think is part of the minister's intent but I am not sure—that the current system is seen to be confusing to voters and he is trying through this bill to simplify that process. One of the amendments I would hope to bring forward in committee will address this, because I think it is going to be more confusing than ever to the voters in Metropolitan Toronto.

I think the minister has tried to address how local councillors and Metro councillors will have a division of duties. May I suggest that is going to be a concern as well? What is going to happen with the division of power between one of the local councils and Metro council? Although one of the goals of the bill is to allow a better division of power, I think that division of power can have an undermining effect on the decisions that are made within the Metro government that affect what is going on within local governments.

I believe the intention of this bill is an honourable one in that at election time it will allow there to be a greater focus on the issues that are of local interest and those of Metro interest. Possibly there is an ongoing educational need that this province has to fill to educate and help the people in an area as great as Metropolitan Toronto to understand all the different levels of government that they have. That educational process falls not only on ourselves but also on the local and Metro councillors within Metropolitan Toronto.

I also agree that there has to be some accountability of the chairman of Metro council, who should become accountable to the electorate. I believe there is a flaw in this bill in the way it has been suggested the chairman be elected, and I will get to that one in greater detail.

I also believe that the minister is recognizing that the shift in population from some municipalities allows one to be more represented than another. This bill is an attempt to try to give equal representation.

It is a large, large city and it has large implications to all the people as we look at the number of elected politicians. Right now there are 98 elected politicians on the Metro scene. I support abolishing the boards of control. I think we see that as a function that can be done away with at this point. By reducing the boards of control we will be down to 86 elected politicians in Metro, but adding 28 new Metro councillors



will increase them to about 110 if local councils do not shrink.

It is estimated that there will be a large impact on salaries and staff which will cost Metro taxpayers maybe up to as much as \$2 million per year. There are a number of implications to this bill.

#### 1600

Let me just touch on the four areas that are of special interest to myself, our party and to what I think will at least touch on the concerns of people within the Metropolitan Toronto area.

The first has to do with ward boundaries. This was reviewed for a moment in his brief remarks by the member for Oshawa, who talked about the boundaries that will be decided for the new Metro councillors. I am concerned about that.

The whole business of boundaries for councillors has quite a few implications. First of all, the report that was put in last year in November, Analysis and Options for the Government of Metropolitan Toronto, had at least three recommendations. It said one could go for 22, 28 or 43 as the number of councillors. The government has come up with the recommendation of 34 altogether, whereas at present there are 39, plus the chairman.

I am questioning what is going to happen from a number of different angles. First, let us consider what happens to someone such as my mother, who happens to live in downtown Metropolitan Toronto, in the old city of Toronto.

**An hon. member:** In my ward.

**Mr. Cousens:** In the member's ward. There were not too many signs of the member's party on her lawn.

Interjections.

**Mr. Cousens:** The member will never know. He is doing well so far. She is going to end up having a great deal of confusion as to who her local councillor is, if there are different boundaries for her Metro councillor and for her ward councillor in Toronto. What is going to happen across this great city when people start to say, "Who is representing me?"

Right now it is difficult enough for them to know who is their representative in city government in any of the different cities; but when one has a different set of boundaries that overlap a different territory, it could mean that the people of Toronto will become very confused as to who their representatives are.

At this point I draw a parallel to the proposals to change Metropolitan Toronto. It looks so easy that it reminds me of Pierre Elliott Trudeau and

metric. He said: "There is no problem. You count to 10, then you count to 100 and then a multiple of 10. You are not going to have any trouble at all understanding it." How many years later is it and we are still having trouble with metric—at least I am. The pages are the only ones in this building who understand metric, but they do not understand the old system. It is going to happen with the boundaries in Metropolitan Toronto. There is going to be that confusion that is going to cause people to say, "Who is representing me?"

I can go on at length on that one, but those are things I would like to see reviewed when this goes to committee—the boundaries and representation—so that people have someone they know is actually their representative on either council.

I am concerned with the way the boundaries are going to be struck for implementation in 1988. We have less than 12 months for the new boundaries to be in place for the next municipal election. In that time frame the people in this Metropolitan area will be voting and, by then, the new boundaries will have been decided upon by order in council, but to what degree has anyone looked at those boundaries?

When one thinks of the boundaries that we have recently gone through and analysed how members of the Legislature would be elected, we have changed the number of seats from 125 to 130. This Legislature, in its wisdom, and in following precedents, established a committee of three whose responsibility it would be to have a review of the election boundaries of this province. When it came back, there was a review of those. It then went back to them and then came back to the Legislature, where it had a chance to consider the effect of those boundaries. Everything was taken into consideration. Not everything was changed that the people wanted to have changed but at least there was that process. The process allowed everybody to have some input into it.

What is going to happen now? I believe the boundaries are going to be so changed around, for instance, in the city of Toronto. I have a number of quotes from different people in Toronto who are concerned about the change in those boundaries. It is not 100 per cent, but then the minister was careful to say that in his view he was not trying to pretend that 100 per cent of the people liked the recommendations.

**Mr. Haggerty:** Just put one on the record.

**Mr. Cousens:** No, I will put them on the record. I will come back to it. I have sufficient time. The honourable member is asking me for a



quote from someone who is concerned about the boundaries. If it is not on this page, I will have to come back to it, but I have them and they are here. I just cannot find it right now, but I will get it; I will come back to that. The honourable member is asking me for a specific quote from someone in Metropolitan Toronto, and I will have that. It just depends how long I take to come through with it, but I will be glad to share it with him.

The fact of the matter, and the point I was trying to make, is that the people in Toronto are not universally, unanimously supportive of the recommendations that are being brought in this. Further to that, I am convinced that the people in Metropolitan Toronto do not understand the implications this bill is going to have on them. I think many of them are going to find it very, very confusing.

What I was talking about had to do with the selection of the ward boundaries and with there being a system that will allow total equity to take place in the carving up of these different urban municipalities so that there cannot be any chance that there is even the perception of gerrymandering. Not that there ever would be from the honourable people who would be involved in the process, but that is why this Legislature sets up an Ontario Electoral Boundaries Commission that goes through that process and carefully develops a plan and a strategy for those new ridings. There is not one—well, probably there are a few—but most of the members of this 130-member Legislature have been seriously affected by the changes that were proposed and implemented in the last election of September 10. I believe that having a hastily developed piece of legislation, which is now being debated, brought into this House a year after the commission report was released does not give sufficient time for the review of the boundaries in Metropolitan Toronto.

I am not sure what the solution is. I do not want to pretend to know all the answers, but assuming that this government is going to push through this legislation, maybe one of the answers is that in the first term of office those Metro councillors will have the same wards that overlap those of existing council members. That might be a way of doing it, and then they would have three years to work out how the boundaries are going to be, so there is not going to be a lot of confusion next year when they are saying, "Gosh, your line starts on Yonge Street" or "Your line starts on Avenue Road."

That could be a way in which it is done in presenting a reasonable approach. I hope when this is in committee, if there are enough others who think about that and feel it is a genuine concern, that could be an approach for this government to adopt. There have been cases in the past where the government has adopted reasonable amendments from the third party. I am concerned that the whole business of boundaries between a Metro councillor and a local councillor is going to be confusing and should be looked at in greater detail.

My next concern has to do with the timing of this bill. The bill is before us, and we all know the minister has said in the newspapers and other places that he wants to see it passed very, very quickly. I can tell by his attitude in the House that he is rather dismayed that this bill is now going to be going to committee for further consideration.

I believe the timing for the implementation of this bill is less than adequate. It is really somewhat surprising. The Task Force on Representation and Accountability in Metropolitan Toronto, which was established by the former Minister of Municipal Affairs, the Minister of Revenue (Mr. Grandmaître), in February 1986, reported in November 1986, 10 months later, and provided a number of options at that time. It took the government a year after that to introduce the legislation, and now this government expects Metropolitan Toronto to implement the new system in less than a year, in time for the 1988 municipal elections.

I believe implementation could be deferred until the 1991 municipal elections, allowing for a smoother transition and perhaps more time to debate the bill either in standing committee or another public forum. The member for Niagara South (Mr. Haggerty) who was asking has left now, but one of the Metro councillors, Derwyn Shea, suggested that the current ward boundaries be kept as is for the 1988 election, but to carry on with the idea of election of the chairman from Metro council. There are a number of people who have spoken out on this.

#### 1610

The timing of this has meant we are trying to rush it through. It is going to all go into place. I draw the parallel to metric, which sounded so easy but was not when we started trying to handle it. I think those who believe that it is may be in the minority. There are many others who may have some trouble with the speed at which we are doing this.

The third point I would like to raise has to do with the direct election of Metro councillors.



There are a number of points I would like to raise there. I would like to go back for a moment and consider the responsibilities of Metro council. That council currently has 39 members plus a chairman. It sets policy directions for and provides guidance to the corporation staff in matters for which Metro is responsible. The functions for which Metro council is solely responsible are police, social services, public transportation, solid waste disposal and capital borrowing.

There are also a number of areas in which both Metro council and the area councils share responsibility. It is my understanding that some of these areas of shared responsibility consist of emergency planning, libraries, parks, roads and traffic, sewage and sewage treatment, water, industrial promotion, licensing and land use planning. In other words, a Metro councillor and an area councillor have a common interest in quite a large number of areas.

The point I am leading up to is whether we are wise to have a total separation between the area councils and the Metro council.

**Mr. Neumann:** We don't.

**Mr. Cousens:** Well, there are the mayors, but I am asking for more than that. My, this is a very—

**Mr. Neumann:** You said "total."

**Mr. Cousens:** I asked the question and I am going to answer it. I am glad that the member knows what he is doing. It is really quite pleasing and surprising that the honourable member—I have just got to put him in his place—the member for Brantford (Mr. Neumann)—

**Mr. Faubert:** You can try.

**Mr. Cousens:** We can try. He is honourable but he is also independent.

What happens then when we have—

**Hon. Mr. Curling:** Honourable people are not independent.

**Mr. Cousens:** In this group, it is good to have someone who thinks for himself. He does not have somebody whispering to him the way the member who just spoke does most of the time.

**The Acting Speaker (Miss Roberts):** I ask the honourable member to ignore the comments of other honourable members and continue with his—

**Mr. Breagh:** Very good advice, Madam Speaker.

**Mr. Cousens:** I am awfully sorry, but you have to control them, Madam Speaker, and I know it is very difficult.

What happens then if the Metro councillor does not have that close contact that has previously existed by working with, living with and sitting in the same meetings as local area councillors?

In all those areas that I have just delineated where there is a common overlapping interest between the Metro councillor and the area councillor, we do not want to just rely on sending letters back and forth, which is the way that government often deals with other levels of government. It becomes a bureaucratic nightmare, as we have kingdoms built up and established where we are going to have one bureaucrat saying, "This is the way we will do it," and the next level is going to say no. It would be so much easier if there was dialogue at the common, local political level.

As a question, is that going to disappear? I wonder whether it is going to undermine an excellent working relationship that has been built upon and worked with ever since the introduction of Metro council. By separating Metro council from the local area councils, the question stands of whether we are doing the right thing to serve the local population by saying, "Here is a whole new tier of government."

The only interface between the local government and Metro is going to be the mayor. Why can there not be an ongoing, continuing liaison at the grass-roots level? I believe there is a great deal of benefit to be had if the Metro councillors could also have an attachment to the lower-tier municipal council level. I believe what could happen is that if bad relationships develop between these different levels of government, some future Minister of Municipal Affairs might try to eliminate one or other of the councils, might say, "We are going to pass on all the responsibilities that previously existed with local councils to the Metro and urban council." That has been rumoured by some people, that that might be a long-term plan. It is certainly not in the present bill but it could well be something that is on the agenda of the minister in the future.

I believe that the advantage of having Metro councillors, local councillors and area councillors working together is that it allows for a better working relationship over the short and the long term. It was certainly one of the options presented in the task force and it has been one of the options that has been ruled out by the minister without any comment, without any discussion, without any debate at all. The fact that it was defined as an option in the initial report leads me to believe that the minister said, "We won't do



it." I know that from where I see it, there are some significant advantages if the two levels of government have a foot in the door of either side.

An amendment to the bill could establish two elected officials for each ward with joint seats for one councillor. This would ensure a more stable system and eliminate the possibility of antagonism and competition between the upper-tier council and the lower-tier.

The direct election of Metro councillors is going to have, I think, long-term implications in the way this is going to affect the thinking of people because you are now going to have almost super councillors who are Metro councillors, maybe with a different vision from the local ward councillors. That is the concern we are trying to table.

I could go on longer but I would like to touch on my fourth point which has to do with the accountability of the chairman. When the minister said, "We're going to have an elected chairman," there was almost a big cheer that went up that said, "Hey, that's good." But let us come and ask, what kind of an election is it going to be? You have the chairman being elected by his own little area. The mayor of each of the cities is elected from within that city. Should there not also be an election of the Metro councillor from at large, representing all of the people of Metropolitan Toronto? Is that not one of the recommendations that appeared in the task force report?

The chairman's accountability is being limited to only his or her constituents. The question that has not been answered in the House, and cannot be answered fully until we get into committee, is to what degree is that chairman as accountable through that electoral process as by being elected at large? I believe the chairman has such an important role that are we not also trying to crowd the chairman by also giving him the extra responsibilities? Maybe this needs to be considered a little further. When this is considered in debate in committee, we can consider some amendments that could well clean up this bill that otherwise will not be perfect.

I believe the point of an elected chairman for all of Metropolitan Toronto is worthy of consideration and it has not been considered in this bill. I believe that the wards, as they are being defined by the Lieutenant Governor in Council, will not be totally satisfactory and that we might be well advised to look at having the same boundaries for the first three years and then, at the end of that three-year period, there can be some consideration on how those boundaries were brought in.

I am concerned that there is so much that could be affected by this when you consider that the new Metro council's members will be excluded from the lower tier of government. Are we suddenly changing the whole makeup of what representatives of Metropolitan, urban Toronto and the different municipalities have been doing in the past? I am concerned about that. Because of those concerns it may be wise, in spite of the fact that we agree with the principle of the bill, to postpone it for three years until such time as these things can be cleaned up.

**1620**

It may well be possible, and I have every reason to believe, that when it goes to committee, a number of reasonable amendments can be made. There would be an opportunity for public input from Metro council and from those local councils that have concerns. Their concerns could be tabled. They could be considered. They may well have some other recommendations that could be considered as part of this bill. Then it would be possible, if the House is coming back in mid-February, to have it cleaned up at that time.

I do not want to see a bill brought in now and passed quickly without having these concerns addressed and approached in a balanced way for proper amendments that could be fully considered by members of this Legislature. It is a process that is important. It affects over two million people in Ontario. For us to think that we are just going to ram it through today and then it is all over and done with without further consideration would be a terrible mistake. I think there is enough time for us to do what we are suggesting: that this House, in committee, will be able to consider the amendments we have to present. There may well be other concerns that are tabled by other concerned people about this legislation.

We will be supporting the bill. We support the intentions behind the bill. I just regret that it has not been done more quickly. I regret that it does not allow for a continuing holding together of all of Metro Toronto. I think there are real problems with that. By having this at least go to—what committee is it going to?

**Mr. Harris:** General government.

**Mr. Cousens:** By having it go to the general government committee, we will have the opportunity to make it a better bill.

In the meantime, we hope to see Toronto continue to be treated in the way it should. The Metropolitan and urban Toronto area really has an awful lot going for it. What we have to do is start putting the vision out there for transporta-



tion, for renewal, for housing in this area and for the whole problem with the environment and garbage. These things have not begun to be considered. This government has not begun to open up solutions to some of these things when it has the chance to do it now.

**The Acting Speaker:** Do any honourable members wish to comment in the remarks just made by the member for Markham?

**Mr. Mahoney:** I just got a little confused at the end there. I heard the member for Markham say that he is upset that it has not been done more quickly. Just prior to that, I heard him suggest that it might be appropriate to defer it for three years or possibly defer it to February and send it through committee. I am hearing both sides of the story, that the honourable member is supporting the bill but he is upset that it has not been done quicker, that it has been around too long. I found the statements made by the honourable member to be a little disconcerting.

On the issue of direct election of a chairman, though, I wonder if the honourable member might comment and clarify his position. It seems to me that a regional government, whether it be Metropolitan Toronto or other regional government—I correct the honourable member as well when he stated that many of the other regions have already gone to this. That is simply not the case. They may be reviewing it and it is being reviewed. The member said earlier in his speech that other regions than Hamilton had gone to it. I am not aware of that but clearly—

**Mr. Cousens:** On a point of order, Madam Speaker: That was not my intention.

**The Acting Speaker:** You will have a chance to respond.

**Mr. Mahoney:** Fine; I accept that. The member will have an opportunity to clarify that.

Clearly, when people are elected at a local level, what happens is that they are afraid to make a decision at the upper tier of government. They simply refer it back to the local area municipality and no decisions get made. As a member who has served in a regional municipality for nine years, I experienced that tremendous frustration. At least this new bill with the leadership being shown by the minister would eliminate that from happening and would make the people who are elected directly to Metro council and the new directly elected or elected member who would become the chairman would make them directly accountable to their own constituency.

**The Acting Speaker:** Would any other member like to comment on the remarks of the member for Markham?

**Mr. Breagh:** I have a couple of areas he could perhaps clarify. I am somewhat amused that those on the Liberal side of the House do not understand that he is for it and against it at the same time. It is a classic and traditional Liberal position and of all the people here, they should understand that.

**Mr. Neumann:** It is true Progressive Conservative.

**Mr. Breagh:** Yes, it is true. I want to ask that he provide as soon as possible to us—I appreciate his concerns about all the rush of two decades, of something actually getting done here. Would he give us copies of the amendments he intends to propose so that we might consider what they are? Surely later this afternoon or whenever this is dealt with, we would not want to have those amendments rushed on us at the last moment.

**Mr. Cousens:** Dealing with the member for Oshawa first: yes, we have the amendments ready and we will have them circulated.

To the member for Mississauga West, the problem we have is that the ministry had a copy of the recommendation from the task force since November and did not table this legislation until a year later. There was ample time to bring Bill 29 into the House last spring. We could have had debate, discussion and amendments and changes made to it so that there would have been more time. There is the time that was lost. Maybe they did not have time to read it, they were so busy getting ready for the election. To me, that is the problem that existed. The report was tabled in November. They could have done something with it—"they" being the then Minister of Municipal Affairs—a long time before bringing it into this House a year later. That is my concern. A year was lost by the government.

The second point is on the election of the chairmen. It has to do with the fact that I was not saying there was another form of electing chairmen in Metropolitan Toronto. The member may have misunderstood me. I certainly did not intend to convey the intent that he took out of my statements about the election of chairmen of regional municipalities, but I do believe there is reason to consider a way of electing the chairman of the Metropolitan Toronto council. That could well be an election at large and that is one of the amendments we have to table.

**The Acting Speaker:** Would any other honourable member wish to participate in the debate?



**Mr. Neumann:** It is a pleasure to rise in support of Bill 29, sponsored by the Minister of Municipal Affairs and the government on the reform of government in Metropolitan Toronto.

I believe this piece of legislation will provide improved accountability and clarity of responsibility for all elected officials in Metropolitan Toronto, at both the upper tier and the lower tier. I must say that it has been a very refreshing experience for me, coming straight out of the municipal scene to the Legislature here at Queen's Park, to have the privilege of serving as parliamentary assistant to this minister. He has opened up the consultation process within the ministry and carried on the tradition of the previous minister in that regard with the new government that took office. He has involved me in the consultation process, and I can say to the House that there has been extensive dialogue among the provincial level of government, the various municipalities affected and the Metropolitan level of government. I believe the time for consultation is now over and the time for action as a Legislature is upon us.

Metropolitan Toronto government has been a model in North America for many years. I do not think what we are talking about here are amendments to change a bad system of government to a good one. I believe what we are talking about here are amendments to improve what already is a good system of government in Metropolitan Toronto.

Time has passed, with changes in the situation which existed in Toronto and which spawned the initial development of Metropolitan government. At that time, we had a city surrounded by a number of boroughs, suburban areas. We now see a similar situation, with Metropolitan Toronto itself being the central urban area. The suburban areas have moved considerably beyond the boundaries of Metropolitan Toronto.

We have an important situation today where it is necessary for the elected officials who serve on the upper-tier government, Metropolitan council, to be able to focus on these broader Metro-wide issues, not only their relationship with the lower tier but also their relationship with surrounding municipalities, in grappling with the important urban issues of our time, such as transportation and housing.

**1630**

I believe the time has come to act and I am proud to be part of this action. I believe it is an important reform, an important step forward for this government to take, and I am very pleased

that both opposition parties are supporting this direction in principle.

I believe, however, that it is not necessary for this bill to go to a committee. I feel that consultation has taken place, and extensive consultation. You will never get 100 per cent agreement. Five of the six municipalities support the direction being taken, and I believe the timing is important for another reason. The bill calls for a 60-day period of work at the local government level, the area councils, to develop the ward boundaries following the royal assent to the bill.

By delaying the approval today and sending it to committee, we are delaying the start of that process, that 60-day period which triggers in once the bill is given royal assent. If we do not give this bill royal assent until some time in February, we are delaying it another 60 days after that. We are getting then into the spring period. This is election year, after all, and the preparations have to be made for planning for the enumeration process and, as has been mentioned by previous speakers, the other reforms with respect to municipal elections that will be coming along very shortly.

I believe that perhaps by referring it to committee we are indirectly catering to the wishes of the previous speaker, the member for Markham (Mr. Cousens), who says he does not want this implemented until 1991. We could be risking the implementation of it this year by delaying that process until later in February, so I would urge the members to consider giving this approval today so that the reform can go forward.

I would like to comment on some of the other references that were made on the division of responsibility between the Metro council and the area councils. Initially it was mentioned that there is total separation. It has been clarified that there is not total separation—the mayors of the area municipalities provide ongoing liaison—but you cannot have it both ways. You cannot say, “Let's have representation at the Metro area, focusing on important Metro-wide issues, some of which perhaps have not received the attention they should have,” and then say to those same elected officials, “You also must take all the responsibility that occurs on a local area council.”

I say to the previous speaker that you do not need legislated liaison in order for liaison to occur. I can speak from experience. As mayor of the city of Brantford, I initiated a trilevel process to have close liaison with the provincial member of the Legislature and the federal member of Parliament. We accomplished a great many



things together, and you do not need legislated liaison for dialogue to occur.

The mayors are there as the legislated liaison, but the ward representatives on Metro council can liaise with the local councillors any time they wish. The local councillors can liaise with the Metro councillors any time they wish. They can have regular meetings, three or four times a month if they want to—that frequently, although I would expect it would not be that frequently.

We are not saying that ongoing dialogues should not occur between the local council and the Metro council. What we are saying is that direct election will not only provide a focus on reform of the structure of Metro government but will also free up the time of those Metro councillors so that they can deal with the important urban planning issues facing this most important metropolitan area, the most important metropolitan area in our province. It is a model in North America and I want to see it improved.

Another aspect of reform I would like to touch on is the abolition of the boards of control. I believe there is general consensus to do that, and what we are saying in this piece of legislation is that the six area councils and, indeed, the Metro council will have the freedom to structure their executive committees, or any standing committees they wish, as they see fit. This is in keeping with the philosophy of the ministry to give municipalities the responsibility to handle their own affairs.

Why should the Legislature determine the structure of a committee of a local council? Indeed, it basically brings Metropolitan government here in line with what exists in many councils throughout the province where the committee structure is determined by the members elected to that council. They can structure an executive committee as they see fit; they can determine how it reports to the council; they can determine its terms of reference and how it is to be chosen, and they can change that when they feel the need to change it. Why should they have to come back to us here at the provincial level for that kind of direction? We are giving the area councils and the Metro council the freedom and the authority to make their own decisions in that regard.

With regard to the boundaries, I believe the process is fair. I am told that the work has progressed well along. In most, if not all, of the six area municipalities, work on the boundaries has developed quite far along. Consultation is occurring with the school boards. I believe if we were to give third reading, and royal assent

shortly to follow, they could live well within the 60 days that are specified in the legislation.

We would have those boundaries drawn up and implemented so that people will know. It is not only important for the councils to know. Mention was made of possible aspirants to government. I think the sooner the citizens of Metropolitan Toronto know, the better. The sooner the people who are considering running for these important offices know, the better it will be.

I do not think it is in anyone's interest to delay the process. Within the legislation there are 60 more days when they can study the boundaries before they have to report back to the minister. This is ample time. Once those boundaries are announced, the people will know for sure and they can make their decisions whether they are going to run for re-election on their local council or whether they are going to run for election on the Metro council. People who are not incumbents and who are considering running for municipal office will know the rules of the game.

In conclusion, I believe this bill has been well thought out. There has been thorough and ample consultation with all parties concerned. It is a major step forward in terms of reform of municipal government in this province for the very important area of Metropolitan Toronto. I urge all members of this Legislature to support Bill 29 and move forward with the times.

**Mr. Cousens:** Our amendments and our concerns are not from any desire or attempt to put an undue delay on the implementation of this bill, although I believe there are a number of problems in the bill which can be addressed. Maybe a large number of them can be resolved when this is discussed in committee. If that is the case, then certainly, as reasonable people, our concerns might well be addressed through the amendments that are tabled at that time.

I believe we just have to do some more thinking about it. The boundaries are an example. The member says there are 60 days to solve the boundaries, but one of the options is not to go with the existing boundaries, and that is not even a consideration. How can the member say it is all perfect? It is not perfect.

I would like the honourable member, who has an important job within the government, to respond, if he can, to this point that is made in the report by the committee that looked at Metropolitan Toronto. The quote is:

"The present system provides for linkage of the two councils. Members of the Metropolitan council are informed on Metro issues and aware



of the overall view. They can impart such knowledge to their colleagues on the area councils. Conversely, they can bring the local perspective to Metropolitan council. This link has the potential for reducing conflict between the Metro and area councils and for fostering formal and informal consultation on Metro issues between the two levels."

1640

This is one of the points that was made in the report last year. The minister is just saying there are other ways of handling it. Give me some evidence that substantiates the point the member has just made, because certainly in the recommendations the task force said, "There is a real plus to having the two councils working closely together that way." The minister is saying it is not important. Can he give us some evidence for that?

**The Deputy Speaker:** Does the member for Brantford wish to reply?

**Mr. Neumann:** Yes, I do wish to reply briefly. I believe that ample liaison exists within the proposed bill, or will exist once the bill is passed into law and the system is put into place, by having the heads of council from the area municipalities serve on the Metropolitan government.

The other thing we have to remember is that these heads of council are prohibited from running for the Metro chairmanship. Their main function will be to provide this liaison with the local council, and who better to provide it than the person who is the head of council: liaison between the local council and the Metropolitan government? That is the minimum legislative liaison. In addition to that, informal liaison can occur.

Now, we could obviously go for the other option, and it was discussed and reviewed and there was extensive consultation on this: Should we have people serving on the local council and on the upper-tier government, the Metro council, at the same time? It was decided that, while there could be some advantage in having additional liaison, you would be considerably watering down the main intent of the legislation, which is to have a Metropolitan council made up of directly elected councillors who can focus on the broad Metro-wide issues.

That does not prevent them from developing informal liaison with their counterparts on the area councils. We are not talking about negatives and negatives. There are positives to what you suggest, but the positive on the other side, in terms of the present issues facing Metropolitan

government here in the Toronto area, of having councillors freed up to focus in on those area-wide concerns, far outweighs the others.

**Mrs. Grier:** I am one of those who, as a member of a Metropolitan Toronto area council for many years—in fact, I think the first one to participate in this debate today from Metro—welcome the advent of Bill 29 and think its advent is long overdue. It was in June 1977 that former Premier John Robarts reported on the appropriate structure for Metropolitan Toronto. I regret that it has taken us 10 years to get to the point of having legislation introduced that would do some of the restructuring that was recommended in that very thoughtful and very comprehensive royal commission report.

I do have a regret that, because the legislation has been so long delayed, we are forced to this rather truncated process of determining the ward boundaries. I share some of the concerns that have been expressed here today that passage of the bill, presumably in February, is not going to give a very long time for those ward boundaries to be in place and for the councils and the aspirants to office really to know what the ward boundaries are going to be.

I would certainly, in that context, encourage the minister to do his best to make sure that all the area municipalities submit to his ministry their proposals for ward boundaries well in advance of the 60-day period. I know the clerks of the municipalities are already working on the ward boundaries, but again from past and bitter experience, I think it is essential that there be some kind of independent arbitration as to what the most appropriate ward boundaries will be.

It took the Ontario Municipal Board, some years ago, to persuade the city of Toronto to move from long strip wards running from the lake all the way up to the northern boundary of the city and to move from that kind of ward to a block ward which in fact was more homogeneous in its population and in the people it represented. It took the Ontario Municipal Board, in Etobicoke some years ago, to prevent the division of long-standing neighbourhoods and communities by a council that wished to align its ward boundaries for reasons other than representation by population and looked more to who was likely to represent the ward.

I would caution the minister that he has taken to himself by this legislation a job that might well have defied Solomon: deciding what the most appropriate ward boundaries are going to be. It is not going to be as easy as the drafters of the legislation might have thought. I think it is very



important that that decision be made as quickly as possible after the legislation is proclaimed.

Having said that, as has been said by the member for Oshawa (Mr. Breagh), I support the legislation.

I recall that the thrust of Mr. Robarts's report was twofold when it came to Metro. He tried to devise a system that would provide for strong local government, but he also gave recognition to the fact that Metro was unique, and so he tried to design a system that was suited to the particular needs of Metropolitan Toronto. When I hear other members draw inference from this legislation to the effect that the same kind of system should apply to other regional governments, I have some qualms because I am not sure that is entirely appropriate and I would hate to see what might in fact work for Metropolitan Toronto, as a result of 10, 15 or 20 years of discussion, be imposed on some other regional municipality where it might be much less appropriate.

When the Robarts commission recommendations surfaced in 1977, I was one who was an alderman at the area level. I had very grave reservations about the effects of direct election to Metropolitan council. I thought it would make Metropolitan council far too powerful, that it would erode the powers of the area municipalities and that it would remove the most important level of government, the local government, from the electors and from the communities.

I believed that the greater accessibility and the greater accountability of local government would result in better government. I regret that I now have to come some distance away from that position and to recognize that the area councils have not, in the 10 years they have had to prove themselves since the Robarts report came down, lived up to the responsibilities and the authority that were vested in them.

When you look at some of the narrow focus that area municipalities have taken, I think you have to admit that they have shirked many of the tough or unpopular decisions which would be in the interest of the broader community of Metropolitan Toronto. So I have moved from the position of opposing direct election to Metro to the position of thinking that, in the context of the 1980s or the 1990s, in the context of the problems that face Metropolitan Toronto today, the kind of system that is being envisaged in Bill 29 is the way we have to go.

As an example of some of the issues that I think can only be addressed at the Metro level and that will be addressed as a result of this legislation, one only has to look at housing and

the inequities in the distribution of assisted housing across Metropolitan Toronto. You have to look in my own riding at the whole question of waterfront development, where we have seen what happened in Harbourfront and the kinds of decisions on densities, on architectural design and on housing that have not proven to do what I think everybody in Metropolitan Toronto wanted to do, which is to open up the waterfront, make the waterfront a people place and not put a ceramic curtain between downtown Toronto and the waterfront.

In Etobicoke, in an area known as the motel strip, which I suspect members of this House will hear more about in future, we see a local council that is about to repeat the mistakes that the city of Toronto council made. Next January, they are about to allow a very high density, high-rise kind of development on that last strip of underdeveloped waterfront. I hope that if we perhaps have direct election to Metro council before those planning decisions come into play, we can have some discussion about the broader Metropolitan interests as to what our waterfront ought to be and what we could make our waterfront be.

In my own area of criticism, the environment, I think the lack of direct election to Metro has inhibited the provision of a proper recycling program at the Metro level. We have each area municipality worrying about what it is going to cost them. We have lack of co-ordination between Metro and the area municipalities. We have nobody really seized with the issue and getting on to put in place proper management of our waste in Metropolitan Toronto, to the detriment of all of us.

**1650**

I do, however, want to say to the minister that I hope he will not regard the passage of this legislation as the final act in improving the system of government in Metropolitan Toronto. He cannot afford to rest on his laurels, because this government still has to come to grips with the whole question of assessment in Metropolitan Toronto, an issue that has been raised in this House in the past and that I do not think direct election is going to solve.

If the government is really serious about coming to grips with the long-delayed problems of Metropolitan Toronto government, then it is going to have to come to grips with the whole question of how we pay for education, not only in Metro but also all across the province, and it is going to have to realize that until it lifts some of the burden of education spending from the property tax, it is not going to be able to reform



the assessment base in Metropolitan Toronto. In my opinion, the two go hand in hand, and I do not want to let this opportunity pass without mentioning it.

I mentioned waterfront development as to what has happened at Harbourfront. I think the whole question of development and the linkages between developers and municipal politicians has been well covered by the member for Oshawa (Mr. Breaugh), but I too want to say that I regret that we do not have as a companion piece to this bill a piece of legislation that would put limits on the election expenses of Metropolitan politicians.

I think that, in the whole question of election expenses, perhaps the minister would want to consider that sentiment of Premier Robarts in his report that Metro was unique. It may well be very difficult to devise a system of election expenses that is applicable all across the province. I think it is essential and long overdue that we have that kind of legislation for Metropolitan Toronto, but it may well be necessary, at least as a first step, to devise a piece of legislation that relates to Metro and that can be put in place in time to take effect before the 1988 election.

I think that is essential and I hope the minister in his statement to the House that he intends to introduce that kind of legislation will live up to that commitment and will produce the legislation, at least for Metro, as soon as he possibly can.

I share too some of the concerns that have been raised about the liaison between the area councils and Metropolitan Toronto. I am not sure that just having the mayor on the area municipal council is going to be sufficient and is not, in fact, going to result in a real division or breakdown of communication between the two levels of government. But because it is, to my mind, so important that we get on with reforming Metropolitan Toronto, I certainly do not intend to oppose the legislation because of that fact.

I merely flag it because I think another of the recommendations of the Robarts commission is worth remembering, that is, recommendation 4.5, which said, "A general review of the Metropolitan system should be instituted in not less than five nor more than 10 years." Little did the commissioner realize that it would be 10 years before we would have any reform of the Metro system. I urge the minister not to let another 10 years go by before we evaluate the effects of the reforms that are part of Bill 29 and before we take a serious look at what improvements could be made to this particular legisla-

tion. But I congratulate the minister on having at least introduced this bill and I look forward to its implementation.

**Mr. Kanter:** I rise in support of Bill 29. I believe it does bring accountability and clarity to Metro government.

I was privileged to serve as a member of Metro council for close to two years before being elected to this House, and also as a member of city council for a little longer, and I have had experience with some of the issues that have been described by the minister, his parliamentary assistant and, indeed, some of the members opposite with respect to some of the reasons for this legislation.

I believe that all members of the House would agree that Metro's role has changed quite fundamentally in the 30 or so years that it has been in operation. When it was founded in 1954, it basically provided hard services. The size of sewer pipes was the kind of subject matter of Metro debates, and Metro did provide those hard services in a fairly efficient manner.

As we come along to the current time, 1987, Metro is now in reality the fourth-largest government in Canada, certainly in terms of budget and the number of people it serves. It has a very substantial impact on people's lives on a daily basis in terms of economic development, housing, social services—there is an area that has really grown in the past 30 or 35 years—the increase in concern about day care, about assisted housing, which one of the members opposite referred to, and the need for more help to enable seniors to live in their own homes.

Police services are under increasing scrutiny and, indeed, this government will be proceeding on a bill to increase the size of the Metropolitan Toronto Police Commission to help with the workload and demonstrate greater sensitivity to the population of Metro Toronto. The Toronto Transit Commission and transportation of all kinds might also be mentioned.

I think this bill is important, primarily to give the public an opportunity to learn where candidates stand on Metro issues. In a nutshell, I think that is what is significant about this bill, because the public has not had that opportunity in the past.

Second, I think it is important because it gives councillors, those who choose to run for the Metro level of government, a chance to devote their full time and attention to that level of issues.

If I might dwell just for a moment on my personal experience at city hall, I think it indicates why we need this kind of legislation. I



watched people run in 1980 and 1982 on purely local issues, people who would end up on Metro council. I watched them run and express a concern about local stop signs, and we know they are important to our constituents. I watched them run on trying to bring about natural ice skating rinks, a perennial issue in the city of Toronto, with very little attention to the broader Metro issues that members have mentioned. I watched them spend most of their time on these local issues; I would estimate somewhere between two thirds to three quarters of their time on very local issues.

I took the challenge of trying to bring about a partial change—I will call it a partial change—in the city of Toronto system with the assistance of members across a broad political spectrum. I know that Alderman Michael Gee was involved, Alderman Richard Gilbert was involved and the member for Riverdale (Mr. Reville) was certainly involved once it got to this House. We brought about a change. It was the kind of change that the member for Markham (Mr. Cousens) has been referring to. It was a dual representation system where members would be directly elected to Metro council but would also serve on their area council.

Mr. Chairman—Mr. Speaker, pardon me; you can see I have spent some time at the municipal level—I think that was an improvement but I do not think it totally solved the problem. There was still a certain lack of clarity whether I, as a Metro member, continued to be responsible for local issues or not. I think it was an improvement but I do not think it went far enough.

I am glad that this bill addresses the question in a clear manner. People will run for Metro council; they will be elected to Metro council; they will serve on Metro council; they will solve problems of their constituents at the Metro level. I think that this will eventually bring about a substantial improvement in the types of concerns that are raised at the Metro level and, hopefully, the quality of decisions that are made.

In one sense, we are very privileged in the Metro area. We have a booming economy and a low rate of unemployment but we do face many serious problems in the areas of housing, the environment and transportation.

I am also glad that this bill addresses the question of the election of the Metro chairman and that the question of the drawing of local wards is left in the hands of the local council. Certainly the recommendations are left in the hands of local council. The Minister of Municipal Affairs (Mr. Eakins) must ultimately make

some final decisions, but I think the input should come from local councils. That is precisely as it should be.

**1700**

In contrast to the comments of the member for Markham—I am sorry he is not here and I realize he has other business before this House, but I think that his comments that this legislation is somehow being rushed through are really far, far afield.

I would suggest that this bill is probably one of the most carefully researched pieces of legislation that has ever been introduced affecting municipal government. It goes back, I think, even before the Robarts report in 1977; its roots go back farther than that. There were proposals by the previous Minister of Municipal Affairs, the member for Ottawa East (Mr. Grandmaître), in 1986.

There was a Metro committee set up to study government reform and accountability in 1987. I had the privilege to serve on that committee. We met on many occasions between January and March 1987. Bill 29 adopts the recommendations of the Metro committee almost in their entirety. To suggest that this legislation is being rushed through or to suggest that this legislation does not correspond to the wishes of Metro council is just not correct.

There has been some discussion back and forth about whether Metro is or is not a unique form of government. Certainly, the concentration of population in this area is unique. Yet the problems that we face as a regional government or a Metro government with an upper tier and a lower tier are not necessarily entirely unique.

I had the privilege of participating in an informal seminar on regional government. One of the participants came from the Niagara region. His name was Ron Book. I believe his politics at the provincial or federal level were of the Conservative persuasion, but he was certainly very persuasive in communicating his views about the separate approach—the separate-but-equal approach, if you will—whereby members of regional councils served only on those regional councils and communicated and appeared as deputants and did all the things that we as politicians are able to do, but where they were clearly members of regional council and accountable for regional council decisions. I think that system is working well in at least one other regional government.

I very much appreciate the position of members of the official opposition on this bill, their general support for the bill, with some



concerns expressed about ward boundaries, about campaign funding legislation—and I am pleased to note that our government is introducing legislation in that regard—and their consideration of the pros and cons of dual versus Metro-only representation.

But I find the position of the third party unclear, inconsistent and verging on the irresponsible with respect to this legislation. They suggest that this legislation has been rushed through and that is simply not correct. They suggest that this legislation should have been brought before this House sooner, but that would have denied an opportunity for full consultation before Metro council, an opportunity that was given to Metro council and that was taken by Metro council. They suggest that there should be dual representation, and certainly that is not a totally impossible position, but I am not sure whether the member opposite who spoke for the third party has looked at the pros and cons of the city of Toronto's experiment in this regard.

Perhaps a clue to the true position of the third party can be found in the comment of the member for Markham that implementation should be deferred until 1991. I think that is their real motivation, that nothing should happen very soon and, indeed, before we have further discussions we can have other reasons for putting things back and putting it on hold, saying situations have changed and other considerations will arise and basically nothing very much should be done.

**Hon. Mr. Grandmaitre:** Let's fix it. Let's do nothing.

**Mr. Kanter:** That is perhaps the position of the third party.

**Mr. Neumann:** Regressive Conservatives.

**Mr. Kanter:** Regressive Conservatives. Yes, I like that line. I think we will take that line.

Since the members of the third party lack Metro representation, perhaps they are relying a little too much on certain Metro mayors to make their policy for them. Perhaps they are relying on certain Metro mayors who might lose a little power and influence because they will no longer be able to pick and choose who sits on Metro council, no longer be able to sort of control votes on Metro council like puppets on a string. Perhaps the members of the third party have been listening a little too much to one Metro mayor and not listening quite enough to members of the public.

I conclude my remarks by reiterating my support for Bill 29. I think the bill has widespread support among members of the public, as well as

most Metro politicians. I urge its passage in time for the 1988 municipal election.

**Mr. Harris:** I have just one comment. In his remarks, the member expressed regret that the member for Markham was not here. The member for Markham wanted very badly to be here and to stay through the entire debate. However, the committee on estimates for the Ministry of Housing was sitting there doing nothing, waiting for the critic to arrive.

I just want it on the record that the member for Markham is, at this very moment as we speak, involved in the estimates of the Ministry of Housing, which I think most Metro people would appreciate is a far larger problem than the one we are discussing today. I know, though, that the member will want anxiously to get a copy of Instant Hansard about seven o'clock tonight to familiarize himself with the remarks of the member for St. Andrew-St. Patrick (Mr. Kanter).

**Mr. Kanter:** I want to reply very briefly that I believe in my remarks I did acknowledge the fact that the member for Markham was involved in other House business. I clearly indicated that in my remarks.

Furthermore, I think an improved Metro council such as the one that will be established by the acceptance of Bill 29 can perhaps hope to make a dent in the housing problem, which we all admit is a very great one. I think the municipality does have a role to play, along with the province, and I am hopeful that a better structured Metro council will result in better policy decisions in the housing area.

**Ms. Bryden:** Unlike many of the previous speakers here, I cannot claim municipal experience at the Metro level but I have been a ratepayer in Metropolitan Toronto for over 30 years. I have been aware that Metropolitan government has gone through a number of changes, but none of the changes have really produced the kind of accountability that ratepayers such as myself have been looking for.

We certainly did not get it during the many years of Conservative government, and after two and a half years of Liberal government, we are still taking only a very small step towards a Metropolitan government that will be truly accountable to the residents.

For one thing, we have only one third of the jigsaw puzzle. As other speakers have pointed out, we do not have the election expenses legislation which the minister has indicated he is bringing in. It is very difficult to discuss this bill without seeing that legislation.



You simply cannot get accountability if you do not have control over the amounts that can be spent and the size of election contributions. You cannot have accountability if you do not have disclosure laws which will enable the voters to know where the money comes from. You cannot have control of election expenses without an election expenses commission to administer it, and I think it is a copout to say that the provincial one could do it. At least the rules have to be set in the legislation for the municipal field.

1710

I agree with my colleague the member for Etobicoke-Lakeshore (Mrs. Grier) that we may need election expenses control more urgently in Metropolitan Toronto than in the rest of the province, so we should not have to wait for province-wide election expenses legislation but should get Metropolitan legislation in effect as soon as possible.

Certainly, the recent disclosures in the newspaper of the amount of contributions that appear to be coming in before such legislation appears indicate that there is a definite need for putting ceilings on the size of contributions and on the amount that can be spent and for letting us have full disclosure. We all know that without such disclosure there is always the fear that he who pays the piper calls the tune.

We also need election expenses legislation which would provide some sort of rebate to people who make smaller contributions, in order to broaden the base for supporting candidates and to make it possible for smaller contributors to help with elections without heavy financial penalties where there is no rebate. We have it at the federal and provincial level and I do not see why we cannot have it at the municipal level.

**Mr. Neumann:** On a point of order, Madam Speaker: The member is speaking at some length on a matter which will be introduced in a subsequent bill, according to a statement made by the Minister of Municipal Affairs (Mr. Eakins). While it indirectly pertains to this bill, I feel it is more appropriately in order as part of the debate on the Election Finances Reform Act.

**The Acting Speaker (Miss Roberts):** I am sure that the member will be putting her comments directly on the point.

**Mr. Breagh:** On the same point of order, Madam Speaker: I heard the member speak for two or three minutes. I do not consider that to be at great length. It seems to me she is allowed the opportunity to speak in here. The member for Brantford (Mr. Neumann) spoke and no one

bothered to interject or to interrupt him. I think he should extend the same courtesy to the member for Beaches-Woodbine (Ms. Bryden).

**The Acting Speaker:** The matter is before the House. Would the member for Beaches-Woodbine continue.

**Ms. Bryden:** I am simply pointing out one of the deficiencies of the legislation before us. Since it does not cover this area, as I said, we have only one third of the jigsaw puzzle.

The other area that is not covered, of course, is the school board trustee elections and the election of the Metropolitan Toronto School Board, which will inevitably be affected by the reorganization of the wards in Metropolitan Toronto. I think we should have that other piece of legislation from the Minister of Education (Mr. Ward) before we complete consideration of this bill after second reading.

In fact, I hope those companion pieces of legislation will be brought before the Legislature prior to the conclusion of any committee hearings that are held, which would then be dealing with the bill clause by clause. We are not in a position to deal with this legislation until we do have the other pieces of the jigsaw puzzle.

I am glad that there are some changes coming to the Metropolitan government legislation which will at least eliminate having the chairman not elected by anyone and which will bring more focus on Metropolitan issues. Certainly, I support the bill as far as it goes, but I would have liked to have seen it go considerably further in broadening our opportunities to participate in Metropolitan government.

We have to face up to the fact that Metropolitan issues are very widespread and very important financially. They include roads, disposal of waste, the Toronto Transit Commission, the police and welfare—some of the biggest spending areas—and yet most of them are not conducted in the kind of open government milieu we have become accustomed to at city hall on local issues in Toronto.

For instance, the present Metropolitan council seldom advertises that items are available for deputation. It seldom holds public meetings, particularly in the evening, to which it invites residents to come and discuss an issue. It seldom publishes agendas or advertises meetings when particular subjects come up that might interest the public. In fact, it is still in the Dark Ages as far as the concept of open government is concerned. I think the new council, if it is constituted under this act in a different way,



should be aware that it has a big responsibility of accountability to the voters.

They should also, of course, have greater control over any crown corporations that they operate and control over the police in the sense of bringing their budgets before the commission and giving opportunities for public comment on how the budget is allocated. They should also review the overall transportation needs of the whole area in an open, public way so that there can be co-ordination of the plans and public input into the kind of transportation plans we adopt.

I do not think the initiative of the Premier (Mr. Peterson) to appoint a federal representative and himself and a municipal representative or two is sufficient to co-ordinate our transportation needs. I think we have to have some planning of them in a co-ordinated way by bodies that are accountable to the public and not by one representative from each of the three governments working behind closed doors. That is what I am looking forward to in the new legislation and that is one of the things we really hope to see come out of it.

We should have public hearings on it. I am disappointed that the time is so short for adequate public hearings and for looking at different models or at how the ward boundaries are drawn. I agree with the comments of the member for Etobicoke-Lakeshore that the method of drawing the ward boundaries is extremely suspect. You leave it to the municipalities and apparently in some municipalities, such as Toronto, they delegate it to a committee of elected representatives. It is true that their recommendations have to come back to council, but it seems to me that particular group of people has a conflict of interest when sitting down to carve up boundaries.

I know it is too late to do it now, but I think whenever we change boundaries in an area such as the municipality of Metropolitan Toronto, the process should be very similar to what is carried out at the federal and provincial levels. There is not time now for this, but I hope it will never happen again that the boundaries are left to the local municipalities to carve up as they please, without any sort of appeal from those decisions, without any sort of public input into those decisions or any sort of review of those decisions except by the local council.

I have not heard that the local councils are planning to have public meetings on the ward boundaries they propose, probably because the time frame is going to be so short. But certainly there should be some review by an independent

body of the ward boundaries that are established, and there should be, before it comes back to the province for approval, some guidelines developed, perhaps by the committee that sits to discuss the bill, which would be principles that must be followed in the establishing of ward boundaries. This would give the province some rules by which to decide whether to approve or not the boundaries that are submitted. Those guidelines should, of course, include a reasonable representation by population, a consideration of divisions into neighbourhoods, locations of schools, main arteries, adjacent boundaries federally and provincially and things of that sort, and the composition of each ward should reflect a variety of income levels.

I hope the ministry will put its mind to developing some sort of guidelines to help it when they come back to this Legislature for approval. I am not sure whether they actually come to the Legislature for approval. I hope they do.

Those are some of the weaknesses in this legislation. That is why we are disappointed in it in many ways, but we do welcome it as a step towards a long-overdue reorganization of our municipal government structure.

1720

**Mr. Neumann:** Two of the speakers at least from the official opposition have commented on the election reform provisions and the need for reform in election expenses and have given the impression that the government is not acting in this area. Last week the minister made a statement indicating exactly what the position of the government is, indicating that legislation will shortly be tabled in the House.

There is no reason for this bill to wait until that bill is introduced or for the other one to be dependent on this one, because we are talking in one case about the reform of the Metropolitan Toronto government and in the other one we are talking about a province-wide reform. This government is committed to doing both, so I do not want the viewers, the listeners or the members of the House to think that action is not being taken. It is going to include disclosure, campaign limitations. It was announced by the minister following extensive consultation with the Association of Municipalities of Ontario and all kinds of municipalities in the different regions of the province, so I do not think that can be used as a reason to delay this bill. Both are necessary and both are being acted on.

**Mr. Breagh:** I thought the member for Beaches-Woodbine covered the waterfront pret-



ty well, but I do hear a little chirping to my extreme left over here about whether we do things by way of ministerial statements here, and it should be made clear that we do not. Good intentions are one thing; good legislation is quite another. We are simply expressing that there is a relationship between this bill and another piece of legislation that may or may not be forthcoming. We will remove our cynicism from the process when we see the bill itself.

As far as surprises go, we have had 20 years to see this bill. If there are those who feel somehow that the process is being rushed a little bit now, it is very simply that this idea has been around for a long, long time. The government certainly did not have to wait until now to produce the legislation and then all of a sudden demand that it be processed right away—although that is, I would note in passing, a favourite stunt of all governments around here. They seem to not draft legislation for 20 years, and then all of a sudden, when they finally get their act together, they have got to have the bill in the next two days. It always seems to come about three or four days before adjournment.

I would imagine in the next few days we will be serenaded yet again by ministers of the crown who sat on their duffs for the past 18 months and, in the last week before adjournment, all of a sudden have found the will to make a bill possible, actually found the energy to print the thing, stick it in front of our noses and then say to us: "I'm sorry. We just don't have time to debate this bill. You'll just have to vote for it." I think that is an old song we could put to rest around here.

**Mr. Pope:** I was not going to speak on this matter, but having heard the comments of the member for Brantford, I am forced to rise to the defence of the member for Beaches-Woodbine.

I have to say to the minister and his parliamentary assistant, who have the nerve to suggest to us that in fact work is not now being done on implementation of this bill and that somehow putting this bill out to committee is going to delay work that should be done to implement the bill, we know full well—and I think the minister and his parliamentary assistant should admit it right now so we will destroy that myth—that work is now going on at the bureaucratic level to do precisely that, to implement this bill. Let us not kid the troops or the people of the province.

The minister has set in motion, at the administrative level in the municipality of Metropolitan Toronto, steps to implement this

legislation that he now wants the House to consider. That, of itself, says something about the regard the minister has for this Legislative Assembly.

Second, I think it also indicates that the parliamentary assistant, when he has more experience, will understand that implementation, from time to time, takes place concurrent with consideration of legislation.

Therefore, I think the concerns of the member for Beaches-Woodbine, who has been waiting to see the other piece of legislation—and the government is playing coy with basic municipal reform in this province—are well founded. We are looking forward to the day when the minister makes a clean breast of it and tells the people of this province exactly what his timetable is. Maybe when he does, there would not be these kinds of debates between his parliamentary assistant and the critics of the ministry and the government.

**Mr. Harris:** I too want to come to the defence of the member for Beaches-Woodbine and the remarks she made. It is the silliness and the stupid remarks that came from the parliamentary assistant, the member for Brantford, that really prompt me to rise and defend the member for Beaches-Woodbine.

Maybe it has not been said here—there is one thing before I get into a one-minute detail of what really bothers me—but we are dealing here with a party that, if you read back in history, is totally opposed to regional government to begin with.

**Hon. Mr. Eakins:** Not us, Mike.

**Mr. Harris:** Check the record when regional government was brought in. Here we are. The government has its great opportunity. I am shocked it is not doing away with regional government. That is its position. That has been its position for as long as I can recall, for as long as regional government has been around. The government wonders why we do not trust it. Its position has been totally opposed to the whole concept; now we get this bill.

The member for Beaches-Woodbine is quite correct. There was an understanding that these two bills would come forward together. That understanding, in fact, became more than an understanding of House leaders. It became a commitment that we would co-operate and accommodate and allow the government to deal with this legislation in a much quicker way than either of the two opposition parties wanted to deal with it. Now we have still not seen the companion piece of legislation.



**The Acting Speaker:** The honourable member's time has expired. The member for Beaches-Woodbine, to defend herself.

**Ms. Bryden:** Thank you, Madam Speaker. I do appreciate the support from the members of the third party. It is always nice when we can agree. Certainly on this particular issue we are in strong agreement that the government has delayed much too long and I think the member for Brantford should be pushing his government to adopt implementation of its legislation and its promises much quicker.

1730

This whole session has been a disappointment as to how much has been implemented, weighing the promises. This is just another example of something rushed through at the last minute with only half the legislation there. That is what the member for Brantford should be working on in his caucus, to see that this reputation is changed and that we get action from the Liberal Party.

**The Acting Speaker:** The member for Scarborough-Ellesmere.

**Mr. Faubert:** Thank you, Madam Speaker.

**Mr. Breagh:** Why are you delaying the passage of this? This is a filibuster.

**Mr. Faubert:** Why am I delaying? I am just delighted with the new accord that I see across the way. I want to see the draft of this new accord.

I am delighted to rise in support of the bill to allow the resolution of the differing status of members and how they are elected to the Metropolitan Toronto council.

As a member of Metropolitan council for seven years, I recognize the need for changes, and I am delighted that this will result in a direct focus on Metro issues by Metro members. It will allow them to have the time to do so. More importantly, it will allow the electorate to focus on Metropolitan issues. That is the essence of the bill that is before us.

I am very happy, and I would like to congratulate the Minister of Municipal Affairs for acting so quickly in this matter. Contrary to what has been said, this has been brought forward and I cannot see how, within the legislative process, it could have been brought forward much faster in this session of the Legislature.

**Mr. Breagh:** Where were you during the last session?

**Mr. Faubert:** I was not here in the last session. I am delighted to see what has happened in the session which I am a part of.

It is really strange to be accused of somehow rushing this through at the last minute. It has been alluded to in the speeches that more than 20 years of reform have been sought in Metropolitan Toronto. Over the past 10 years, since the Robarts commission, we have not seen—no, we did, pardon me; we saw one single reform recommended by Robarts implemented by the past Tory government, and that was the three-year term of the council, but there has been nothing else within the 134 recommendations that came out of that commission.

It is really interesting too that somehow someone is implying that there has not been ample consultation. I have sat on four separate committees that relate to this. I have been involved with it at Metropolitan council. We have seen all the recommendations that have come forward, and this act incorporates all those recommendations.

Out of interest, and with some nostalgia, I really rise to comment on the abolition of boards of control. I was a controller for seven years. I always knew that somehow they were an endangered species, but I also have some understanding as to why it was recommended that we abolish them. Their time has really come within the government structure of Metropolitan Toronto and, indeed, probably across Ontario.

The only argument that could be made in support of boards of control in the Metropolitan structure itself is the fact that, *ex officio*, a controller became a member of the Metropolitan council. But in all the elections that I have been involved with—and this was mentioned by other speakers—not a single electorate really understood that it was also electing its Metropolitan councillor, because most chose to run strictly on local issues, not Metropolitan issues.

**Mr. Wildman:** That is how you got elected.

**Mr. Faubert:** No, I got elected on Metro issues. Does the member want to see my platform?

**Mr. Reville:** No, spare us.

**An hon. member:** That would be pretty dull.

**Mr. Faubert:** That would be pretty dull.

It is interesting, but I do share the concern of the members for Oshawa, Etobicoke-Lakeshore and Beaches-Woodbine that the companion legislation is not here at this time; that is, the election expenses legislation. I know the minister also shares this concern. I am sure we will be seeing this coming forward very shortly. We will see the tabling of this legislation because it is really necessary to control election expenses and



to have out in the open how the money is raised and, indeed, where that money is raised from.

As also pointed out by the member for Oshawa, the direct election of the Metro chairman is the heart of the legislation. I have seen the chairman forget many, many times what it is like to be an elected person and I think it is time this most powerful municipal politician in Ontario understands the principle of his or her holding elected office, because that is the very heart of the parliamentary system. On top of that, I think it would make the system of bringing forward a Metro chairman much more understandable to the electorate.

I listened with great interest to the member for Markham. He did raise one interesting point.

**Mr. Cousens:** Only one?

**Mr. Faubert:** Only one, and that is what will really happen to the fastest-growing area or the fast-growing urban ring that surrounds Metropolitan Toronto. The greater Metropolitan area right now has no mechanism for addressing within it the problems that are already developing and that we can see, such problems as housing, transportation, land use planning, social services and even such a basic thing as intermunicipal co-operation. It does not exist, there is no mechanism for addressing those, and I think he has raised a very valid point related to that. It is not part of this legislation but I do share his observations.

Basically on that, I think it is time to end the period of uncertainty, not only for how the system will be put into place but also for prospective candidates and incumbents now within the variety of offices who would be prospective candidates for election to the Metropolitan regional council. On that basis, I think we should be prepared to act now. I think, in fairness to their decisions related to their future, it is time to act now and I would urge support of this legislation.

I am not sure at this point in time whether—there is a motion before us that this go to committee, and on that basis I am not of a mind to support that, but perhaps I could change my mind in relation to the—

**Mr. Cousens:** When someone talks to you.

**Mr. Faubert:** Pardon?

**Mr. Mahoney:** Never say “pardon”; they will repeat it.

**Mr. Faubert:** Never say “never.”

On that basis, I would urge the Legislature to support the legislation that is before us.

**Mr. Pope:** I do not think I quite understood the position of the member for Scarborough-Ellesmere. Is the member for Scarborough-Ellesmere saying he will not agree to this matter being referred to committee?

**Mr. Faubert:** No.

**Mr. Pope:** He will not. He will vote against that referral?

**Mr. Faubert:** I will have to see it. I have not seen the motion yet.

**Mr. Pope:** I suggest to the honourable member that if he is uncertain as to the arrangements for the processing of this piece of legislation that have been made among House leaders and those with some responsibility for that, he check with those in authority before he stands up and indicates what way he is going to vote on a process matter.

The fact of the matter is that there is a desire on the part of the two opposition parties that this matter be referred to a committee. This matter has been discussed, and I would think the members of the governing party—

Interjection.

**Mr. Pope:** You are saying no?

**Mr. Reycraft:** I am saying that is fine.

**Mr. Pope:** Oh, I see. In that case, we know what we will have to do when the time comes for the vote on proceeding with this matter. The fact of the matter is that the two opposition parties wish this matter to go to a committee, and legitimately so. Members have heard a number of speakers who have indicated concerns, such as the fact that this bill is not proceeding co-tangent with another very important piece of legislation with respect to municipal reform in this province, and I think it is a rather legitimate request of the opposition party to have a committee setting for more detailed discussion.

We now know what the intention of the governing party is. It has been let out of the bag by the member for Scarborough-Ellesmere and we will govern ourselves accordingly. We now understand what his role will be in this debate and it is our desire, both the official opposition and the third party, to have this matter more fully discussed in committee where we can get some more precise and direct answers from the minister, the ministry staff and the parliamentary assistant, who seems to know so much about this. We are looking forward to that opportunity.

**Mr. Cousens:** I am pleased that the member for Scarborough-Ellesmere knows so much about the bill from all the committees in which he has sat on council, and I happen to know him to



be a very prominent person from his area. I would also like him to be able to indicate in his speech and in his comments that there is unanimous support from the people in his area for Bill 29. Is he going to be able to say, "No problems in Scarborough; none whatsoever"? The honourable member, when he stood up to make his remarks, indicated that this is the fast track we are on.

**1740**

The committee had done its assessment of Metro needs and reported back to the the Minister of Municipal Affairs over a year ago. Twelve months later, they tabled this bill. We now call it Bill 29. It took them a year to put it together. Had the member's fast-track government done something last spring when the session resumed—mind you, the member would not have been here to bring his valuable insight to the floor so that we could understand his views—at least the House could have dealt with it then. We would have had some time to get more input from the different municipalities involved and have them comment on the ward boundaries. I think that is going to be far more of a problem.

I do not think the member has begun to accept that metric slipped in from the federal government in a way that everybody said, "Metric is going to be easy and good." This is going to be much like metric for Metro Toronto, when people come along and realize what has happened to their boundaries. Their trustee is from this area, the local councillor is from that area and then the Metro councillor is going to be from another area. It is confusing enough with all the different levels of government we have in this country, but now to have another whole new level, and excluded from a definite working relationship with the other tier I think is a backward step.

How can the member say in such an eloquent way that this is the fast track when it took a year from the time the minister received the report to go and table his legislation?

**Mr. Breagh:** I have been provoked and I admit it. As the critic last spring, I received a call from the then minister who told me very clearly that the government had made its decisions about direct election in Metro, had its legislation ready, was prepared to introduce it and wanted it passed by June. Somewhere between that phone call from the minister's office—where they said basically, "The bill is ready; we have made up our mind and we want it before we leave at the end of the spring session"—and entering the chamber, the bill never arrived.

For those members who are somewhat perplexed why a ministerial statement does not quite suffice, it is for precisely that kind of reason. The minister may want to do something. The bill may well be drafted. They may well have made their decision about when they want it, but it does not always mean that it gets in here. It does not always mean that it gets done. In response to the comments made by the member for Scarborough-Ellesmere, I think we should put on the record this afternoon that it is a fact that this government last spring had made its decisions. By last spring this government had drafted the bill. It chose not to introduce the bill.

The government members are not getting very much sympathy in here this afternoon that everything must be done today when we know that better than eight months ago they had made up their minds, drafted their bill and then decided not to proceed with the legislation. Perhaps the minister might respond to that when he replies.

**Mr. Harris:** I, too, am surprised at the comments from the member for Scarborough-Ellesmere, and I might add at the comments from the member for Brantford. I do not know whether it is the minister who is the architect behind this plot to drag this bill out so that it cannot be finished today, or whether it is the parliamentary assistant, who engineered it all on his own, or whether it is just an open revolt by the members of the Liberal caucus, whether it just emerged that way, whether it is organized, orchestrated or whatever.

The minister is nodding his head that he did not, so maybe it is the parliamentary assistant who has organized this charge today in trying to delay this bill even further. We have heard comments of surprise on this bill. We have heard the comments of the member for Oshawa, who has given the members a pretty good history of what happened last spring on this particular piece of legislation. I concur with both the member for Oshawa and the member for Beaches-Woodbine, who expressed concern about the second bill not being ready.

Had I had the opportunity to talk on interim supply, I had a whole list of broken promises in my file today and it looks like it is going to be Friday or next Monday before I get to it. So really, to all these members who appear to be leading the revolt blocking the passage of this bill, the Liberal members, they must appreciate and put into perspective some of the cynicism that we have developed.

**The Deputy Speaker:** Does the member for Scarborough-Ellesmere (Mr. Faubert) wish to reply?



**Mr. Faubert:** I am waiting for instructions.

**Mr. Pope:** Quite frankly, I rise to speak to this bill because of the words of the member for Oshawa. I am shocked that this government had made the decisions contained in this piece of legislation last spring, that it had contacted the member for Oshawa, as the critic, indicated it was bringing in this legislation and then proceeded, obviously for the sake of an upcoming provincial election, for partisan reasons, not to proceed with implementation of this bill.

That is now becoming obvious. The plot has all fallen into place. The Liberal members themselves have started to realize this. That is why Liberal member after Liberal member has risen in his place to speak on this bill, to put his own point of view forward. Liberal member after Liberal member has talked about this bill for the entire afternoon. It is because they understand not only the legislative history of this matter but also the political history of this matter, as has been so ably presented by the member for Oshawa.

We now see a debate on this bill the government did not see fit to introduce, in spite of its promises to the member for Oshawa, until three days before the end of this Legislative Assembly session. Any delay in the passage of this bill relates to the activities of the Liberal members in this House this afternoon, speech after speech after speech: the member for Scarborough-Ellesmere, the member for St. Andrew-St. Patrick (Mr. Kanter)—

**Mr. Reyecraft:** On a point of order, Mr. Speaker: The member has continually referred to Liberal member after member who has spoken on this particular bill. By my count, it is three members who have spoken after the minister introduced the bill, and I think if one adds up the amount of time that has been taken by the speakers of all parties on this bill, one would find out our members have spoken the least of any.

**Mr. Harris:** Mr. Speaker, on the point, they have used other delaying tactics, such as points of order and just generally tying up this House.

**The Deputy Speaker:** I thank both of you for the points of opinion. May the member for Cochrane South continue?

**Mr. Pope:** Thank you, Mr. Speaker. My House leader forgot to add the numerous interjections by the parliamentary assistant, who had to comment on every single speech that was made on this legislation in this House this afternoon. The parliamentary assistant himself is

responsible for some of the delays that we are now seeing in the passage of this bill.

We have put on the record very clearly our concerns about this bill. The member for Beaches-Woodbine has put on the record very clearly her concerns about the absence of companion legislation, an absence of a concrete commitment of this government to municipal government reform in Ontario. Now I understand her point of view, given the history the member for Oshawa has indicated in the House today and given the conduct of the Liberal members on this very important piece of legislation.

**1750**

There are important issues confronting the municipality of Metropolitan Toronto. We have discussed the problems that we have with this legislation vis-à-vis what has been divided responsibility. Maybe the minister could indicate who will assume responsibility, what legislative status they will have, what powers they will have under legislation, how they will report to the Metro council level, how they will report to area municipalities on matters such as emergency planning, the operation of the library system in this great regional municipality, the operation of the parks system and how that dovetails in with the Metropolitan Toronto and Region Conservation Authority, the operation of the roads and traffic system.

We have heard comment from municipal politician after municipal politician about the concerns over the traffic conditions and situations in this great regional municipality. How will this matter, which is of divided jurisdiction, be resolved between the two levels of government? How will the operation of the sewage and sewage treatment systems be allocated on a legislative basis? What will be the statutory authority? While we are at it, where is the resolution to the garbage dump situation for the regional municipality of Metropolitan Toronto?

Where is the resolution of the concerns the people of this great municipality have with respect to the water supply system, water quality issues that affect their daily lives, the quality of their recreation here in the regional municipality of Metropolitan Toronto, and how we deal with the whole issue of industrial promotion? Who will have responsibility and authority for that matter? How will it be divided? What statutory authority will they be operating under, and who will be making the decisions?

Licensing, the whole issue of planning; how will this be allocated between the different levels? The member for Markham tried in a very



brief way to indicate our concerns. This government has refused to listen to the member for Markham. It has refused to listen to the members of our party as we have voiced concerns on this legislation. It is obviously not listening to Metropolitan Toronto politicians. It certainly is not listening to the official opposition party. Who is the government listening to?

Why has there been no explanation given to the member for Markham with respect to his legitimate concerns and our legitimate concerns about this piece of legislation? There have been no answers forthcoming, just a filibuster by the parliamentary assistant, the member for Scarborough-Ellesmere and the member for St. Andrew-St. Patrick standing up in their places and trying to ignore the fundamental issues that need to be looked at in this legislation.

There has been no answer to the member for Beaches-Woodbine about the status—

**Mr. Reville:** A vicious attack.

**Mr. Pope:** —and the vicious attack on her and the status of the companion piece of legislation. There has been no action on that.

Interjections.

**Mr. Pope:** A member of the official opposition party asked that I put that on the record, because that is the feeling of the members of the official opposition party with respect to how the member for Beaches-Woodbine has been treated today.

There are a number of very important issues this government has chosen not to answer in this legislative debate today. I think it was incumbent upon the government to answer these legitimate concerns, to do it promptly and to call a halt to the Liberal members' filibustering of this debate, to call a halt to that kind of tactic and answer directly and immediately the concerns of the member for Markham, the concerns of the member for Oshawa and the concerns of the member for Beaches-Woodbine. We have not seen that conduct from the government today. We have not had the kind of detailed responses that will resolve our concerns, that will give clear, concrete direction and answers to the people of Metropolitan Toronto who are looking for them from this government. We have not seen that at all.

I think it is incumbent upon this government to stand up right now and answer the comments and the questions of the member for Markham with some sort of certainty and specificity so that we know what direction this government is really heading with respect to the governance of this great municipality.

**Mr. Harris:** I would like to associate myself with the fine remarks of the member for Cochrane South. When we get close to Christmas, I understand that the government has, all of a sudden, these urgent pieces of legislation that it did not have time to introduce last May or last June. Normally, the types of legislation that come forward on these occasions are the kind they do not want close scrutiny of. I cannot think of any other reason why they would wait until the last minute. It is probably to see if they can slip it through in as fast a time as they can and not get the kind of scrutiny this legislation deserves.

That is the only reason I can think of for leaving it this late. I suspect that is probably the reason the companion piece of legislation we are waiting for has not even been introduced. It is so that in this debate, members will not even have an opportunity to comment on how that will fit in with what we are debating in this particular bill.

As well, it is no secret that the minister really wanted to whip this through and get first, second and third reading all in a matter of a couple of days, without having any input, without having any committee time and without taking a look at it. The minister is not answering the questions and legitimate concerns that are being brought forward by the member for Markham, the member for Beaches-Woodbine, the member for Oshawa and the member for Etobicoke-Lakeshore. It appears to me that he feels it is something he can whip through: "I will not have to answer. We are going to run out of time before Christmas." That is not going to happen. That is not the way we deal with legislation here.

**Mr. Callahan:** I listened very closely to the member for Cochrane South. I was hoping he was going to adjourn the debate so we could see whether he would be here tomorrow. No, I am only kidding.

I learned a new word today in the House, "filibuster." It has never been done here before.

**Mr. Reville:** You would not expect a government to do it, would you?

**Mr. Breagh:** You have never seen it done by government members on their own bill, that is all.

**Mr. Callahan:** As I understand it, there were only three members here who spoke on the government side. I watched the third party. The third party looked like sitting ducks in a shooting gallery. They kept popping up and down and debating this issue. I really think the question of filibuster does not apply at all. Maybe they should have used a different word.



For those members who were not here in the past session—if they were here in the past session they really would have known what a filibuster was. The opposition parties, at that time the official opposition, now the third party, and the third party, now the official opposition, spent hours on end in this chamber filibustering things, speaking on everything, their genealogy and what the age and size of their dog was. The people out there in Ontario watched that and they realized that this in fact was what was going on, that there was not really anything being said that was meaningful.

Then they have the courage—it is the only thing I can say—to stand up here in this Legislature and to say that at this time there is filibustering going

on when the number of members from the government who spoke are doubled by those in the opposition.

**Mr. Philip:** On a point of order, Mr. Speaker: The member who spoke about the age and size of the dog was a Conservative member, so maybe the member would like to correct the record.

**Mr. Pope:** In the light of the filibuster from the Liberal member for Brampton South (Mr. Callahan), it is now six of the clock and we cannot continue.

On motion by Mr. Pope, the debate was adjourned.

The House adjourned at 6 p.m.

ERRATA

No.	Page	Column	Line	Should read:
15	702	2	34	in the Legislature, she further ambiguated the
21	1072	1	36	equipment, both for the railways and the bus



## ANSWERS TO QUESTIONS IN ORDERS AND NOTICES

### MOOSE TAG LOTTERY

**18. Mr. Wildman:** Would the Minister of Natural Resources provide the following information: (1) the names of persons the ministry has consulted, including the organizations or businesses they represent, concerning changes in the system of allocating moose hunting licenses in Ontario next year; (2) a summary of the minutes of the meetings held in the eight regions of the province concerning this review. [Tabled November 23, 1987]

See sessional paper 106.

### GOVERNMENT ADVERTISING

**22. Mr. McLean:** Would the Minister of Tourism and Recreation provide the tendered prices for advertising contracts submitted by Camp Associates Advertising Ltd., Cossette Communication-Marketing, MacLaren Advertising and Vickers and Benson? [Tabled November 26, 1987]

**Hon. Mr. O'Neil:** The tourism advertising agency for the Ministry of Tourism and Recreation was chosen through an open competition co-ordinated with the Advertising Review Board. The selection process was based on capability and creative ability presentations and was not a price bid.

### INTERIM ANSWERS

**20. Mr. Mackenzie:** Hon. Mr. Sorbara—A full response cannot be prepared within the time period outlined. An answer should be available on or around January 29, 1988.

**32. Mr. Cousens:** Hon. Ms. Hošek—The Ministry of Housing is unable to answer the question in the time provided. My staff are working on a detailed report on the Renterprise program. I anticipate its completion and tabling on or about January 27, 1988.

### RESPONSES TO PETITIONS

#### NATUROPATHY

Sessional papers 47 and P-1, re naturopathy.

**Hon. Mrs. Caplan:** Under the new legislation which is being developed to govern the health professions, naturopaths will be allowed to provide care to the people of Ontario as unregulated practitioners. As is now the case, naturopaths will not be able to use certain modalities of treatment such as surgery or prescribing drugs licensed to other practitioners.

In the future, naturopaths will have opportunities to have their regulatory position re-evaluated to determine if they meet the criteria. They continue to make submissions to the Health Professions Legislation Review. The review is currently evaluating these new submissions.

#### CONTROL OF SMOKING

Sessional paper P-3, re prohibition of smoking in all public places and in all places of employment.

**Hon. Mr. Sorbara:** An interministerial committee chaired by the Deputy Minister of Labour was established in 1986 to develop policy options regarding a public policy to restrict smoking in public places and workplaces. Work is continuing on the development of policy options.



**ALPHABETICAL LIST OF MEMBERS\***  
(130 seats)

First Session, 34th Parliament

**Lieutenant Governor: Hon. Lincoln M. Alexander, PC, QC**

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- |  |   |
|--|---|
| <p>Adams, Peter (Peterborough L)<br/>           Allen, Richard (Hamilton West NDP)<br/>           Ballinger, William G. (Durham-York L)<br/>           Beer, Charles (York North L)<br/>           Black, Kenneth H. (Muskoka-Georgian Bay L)<br/>           Bossy, Maurice L. (Chatham-Kent L)<br/> <b>Bradley, Hon. James J.</b>, Minister of the Environment (St. Catharines L)<br/>           Brandt, Andrew S. (Sarnia PC)<br/>           Breau, Michael J. (Oshawa NDP)<br/>           Brown, Michael A. (Algoma-Manitoulin L)<br/>           Bryden, Marion (Beaches-Woodbine NDP)<br/>           Callahan, Robert V. (Brampton South L)<br/>           Campbell, Sterling (Sudbury L)<br/> <b>Caplan, Hon. Elinor</b>, Minister of Health (Orillia L)<br/>           Carrothers, Douglas A. (Oakville South L)<br/>           Charlton, Brian A. (Hamilton Mountain NDP)<br/>           Chiarelli, Robert (Ottawa West L)<br/>           Cleary, John C. (Cornwall L)<br/>           Collins, Shirley (Wentworth East L)<br/> <b>Conway, Hon. Sean G.</b>, Minister of Mines (Renfrew North L)<br/>           Cooke, David R. (Kitchener L)<br/>           Cooke, David S. (Windsor-Riverside NDP)<br/>           Cordiano, Joseph (Lawrence L)<br/>           Cousens, W. Donald (Markham PC)<br/>           Cureatz, Sam L. (Durham East PC)<br/> <b>Curling, Hon. Alvin</b>, Minister of Skills Development (Scarborough North L)<br/>           Daigeler, Hans (Nepean L)<br/>           Dietsch, Michael M. (St. Catharines-Brock L)<br/> <b>Eakins, Hon. John F.</b>, Minister of Municipal Affairs (Victoria-Haliburton L)<br/> <b>Edighoffer, Hon. Hugh A.</b>, Speaker (Perth L)<br/>           Elliot, R. Walter (Halton North L)<br/> <b>Elston, Hon. Murray J.</b>, Chairman of the Management Board of Cabinet (Bruce L)<br/>           Epp, Herbert A. (Waterloo North L)<br/>           Eves, Ernie L. (Parry Sound PC)<br/>           Farnan, Michael (Cambridge NDP)<br/>           Faubert, Frank (Scarborough-Ellesmere L)<br/>           Fawcett, Joan M. (Northumberland L)<br/>           Ferraro, Rick E. (Guelph L)<br/>           Fleet, David (High Park-Swansea L)<br/> <b>Fontaine, Hon. René</b>, Minister of Northern Development (Cochrane North L)</p> | <p><b>Fulton, Hon. Ed</b>, Minister of Transportation (Scarborough East L)<br/>           Furlong, Allan W. (Durham Centre L)<br/> <b>Grandmaître, Hon. Bernard C.</b>, Minister of Revenue (Ottawa East L)<br/>           Grier, Ruth A. (Etobicoke-Lakeshore NDP)<br/>           Haggerty, Ray (Niagara South L)<br/>           Hampton, Howard (Rainy River NDP)<br/>           Harris, Michael D. (Nipissing PC)<br/>           Hart, Christine E. (York East L)<br/>           Henderson, D. James (Etobicoke-Humber L)<br/> <b>Hošek, Hon. Chaviva</b>, Minister of Housing (Oakwood L)<br/>           Jackson, Cameron (Burlington South PC)<br/>           Johnson, Jack (Wellington PC)<br/>           Johnston, Richard F. (Scarborough West NDP)<br/>           Kanter, Ron (St. Andrew-St. Patrick L)<br/> <b>Kerrio, Hon. Vincent G.</b>, Minister of Natural Resources (Niagara Falls L)<br/>           Keyes, Kenneth A. (Kingston and The Islands L)<br/>           Kozyra, Taras B. (Port Arthur L)<br/> <b>Kwinter, Hon. Monte</b>, Minister of Industry, Trade and Technology (Wilson Heights L)<br/>           Laughren, Floyd (Nickel Belt NDP)<br/>           LeBourdais, Linda (Etobicoke West L)<br/>           Leone, Laureano (Downsview L)<br/>           Lipsett, Ron (Grey L)<br/>           Lupusella, Tony (Dovercourt L)<br/>           MacDonald, Keith (Prince Edward-Lennox L)<br/>           Mackenzie, Bob (Hamilton East NDP)<br/>           Mahoney, Steven W. (Mississauga West L)<br/> <b>Mancini, Hon. Remo</b>, Minister without Portfolio (Essex South L)<br/>           Marland, Margaret (Mississauga South PC)<br/>           Martel, Shelley (Sudbury East NDP)<br/>           Matrundola, Gino (Willowdale L)<br/>           McCague, George R. (Simcoe West PC)<br/>           McClelland, Carman (Brampton North L)<br/>           McGuigan, James F. (Essex-Kent L)<br/>           McGuinty, Dalton J. (Ottawa South L)<br/>           McLean, Allan K. (Simcoe East PC)<br/> <b>McLeod, Hon. Lyn</b>, Minister of Colleges and Universities (Fort William L)<br/>           Miclash, Frank (Kenora L)<br/>           Miller, Gordon I. (Norfolk L)<br/>           Morin, Gilles E. (Carleton Place L)<br/>           Morin-Strom, Karl E. (Sault Ste. Marie NDP)</p> |
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**Munro, Hon. Lily O.**, Minister of Culture and Communications (Hamilton Centre L)  
 Neumann, David E. (Brantford L)  
 Nicholas, Cindy (Scarborough Centre L)  
 Nixon, J. Bradford (York Mills L)  
**Nixon, Hon. Robert F.**, Deputy Premier, Treasurer of Ontario and Minister of Economics and Minister of Financial Institutions (Brant-Haldimand L)  
 Offer, Steven (Mississauga North L)  
**O'Neil, Hon. Hugh P.**, Minister of Tourism and Recreation (Quinte L)  
 O'Neill, Yvonne (Ottawa-Rideau L)  
 Owen, Bruce (Simcoe Centre L)  
**Patten, Hon. Richard**, Minister of Government Services (Ottawa Centre L)  
 Pelissero, Harry E. (Lincoln L)  
**Peterson, Hon. David R.**, Premier and President of the Council and Minister of Intergovernmental Affairs (London Centre L)  
 Philip, Ed (Etobicoke-Rexdale NDP)  
**Phillips, Hon. Gerry**, Minister of Citizenship (Scarborough-Agincourt L)  
 Poirier, Jean, Deputy Speaker and Chairman of the Committees of the Whole House (Prescott and Russell L)  
 Pollock, Jim (Hastings-Peterborough PC)  
 Polsinelli, Claudio (Yorkview L)  
 Poole, Dianne (Eglinton L)  
 Pope, Alan W. (Cochrane South PC)  
 Pouliot, Gilles (Lake Nipigon NDP)  
 Rae, Bob (York South NDP)  
**Ramsay, Hon. David**, Minister of Correctional Services (Timiskaming L)  
 Ray, Michael C. (Windsor-Walkerville L)  
 Reville, David (Riverdale NDP)  
 Reyecraft, Douglas R. (Middlesex L)  
**Riddell, Hon. Jack**, Minister of Agriculture and Food (Huron L)  
 Roberts, Marietta L. D., Deputy Chairman of the Committees of the Whole House (Elgin L)

Runciman, Robert W. (Leeds-Grenville PC)  
 Ruprecht, Tony (Parkdale L)  
**Scott, Hon. Ian G.**, Attorney General (St. George-St. David L)  
 Smith, David W. (Lambton L)  
**Smith, Hon. E. Joan**, Solicitor General (London South L)  
 Sola, John (Mississauga East L)  
**Sorbara, Hon. Gregory S.**, Minister of Labour (York Centre L)  
 South, Larry (Frontenac-Addington L)  
 Sterling, Norman W. (Carleton PC)  
 Stoner, Norah (Durham West L)  
 Sullivan, Barbara (Halton Centre L)  
 Swart, Mel (Welland-Thorold NDP)  
**Sweeney, Hon. John**, Minister of Community and Social Services (Kitchener-Wilmot L)  
 Tatham, Charlie (Oxford L)  
 Van Horne, Ronald G. (London North L)  
 Velshi, Murad (Don Mills L)  
 Villeneuve, Noble (Stormont, Dundas and Glengarry PC)  
**Ward, Hon. Christopher C.**, Minister of Education (Wentworth North L)  
 Wildman, Bud (Algoma NDP)  
**Wilson, Hon. Mavis**, Minister without Portfolio (Dufferin-Peel L)  
 Wiseman, Douglas J. (Lanark-Renfrew PC)  
**Wong, Hon. Robert C.**, Minister of Energy (Fort York L)  
**Wrye, Hon. William**, Minister of Consumer and Commercial Relations (Windsor-Sandwich L)

\*The alphabetical list of members appears in each issue. Lists of the members of the executive council, parliamentary assistants and members of committees, brought up to date as necessary, are published in Hansard in the first and last issues of each session and on the first sitting day of each month.



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# Hansard

## Official Report of Debates

### Legislative Assembly of Ontario



**First Session, 34th Parliament**

Tuesday, December 15, 1987

Speaker: Honourable Hugh A. Edighoffer

Clerk of the House: Claude L. DesRosiers



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# LEGISLATIVE ASSEMBLY OF ONTARIO

**Tuesday, December 15, 1987**

The House met at 1:30 p.m.

Prayers.

## APPLES

**Mr. Miller:** Mr. Speaker, on a point of information for members in the Legislature: I would like to point out that the apples on their desks today were grown in Vittoria, in what was the capital of London district in the government of Upper Canada from 1815 to 1825. They were grown on the farm of Tom and Joan Haskitt. They are Delicious apples, given to the members in the spirit of Christmas. We wish all members well.

**Mr. Speaker:** On behalf of all the members, thank you for that point of information.

## MEMBERS' STATEMENTS

### ONTARIO HEALTH INSURANCE PLAN

**Miss Martel:** I would like to bring to the attention of the House the case of Mrs. Carla Xavier of Sudbury, Ontario. Members should be aware, by way of correspondence to each of them, that Mrs. Xavier is a cancer patient undergoing treatment, with some success, at the Falk Oncology Centre in Toronto.

The problem is that the particular treatment, a combination of medication and hypothermia, is not recognized as approved treatment by the Ontario health insurance plan. It should be noted, however, that the particular treatment is recognized in several other jurisdictions, including the United States. Furthermore, Dr. Rudy Falk, who heads the centre, is a renowned physician, surgeon and expert in the field of oncology.

It is incredible to me that the Ministry of Health will not allow this treatment and assist this family. The medical expenses now amount to some \$800 every three weeks, let alone the travel and other expenses associated with visiting the clinic. It seems to me there is enough pain and suffering associated with cancer that the ministry should be doing everything possible to alleviate at least the financial burdens associated with cancer treatment.

I encourage the Minister of Health (Mrs. Caplan) to review the particular case and extend full benefits to Mrs. Xavier and other cancer

victims who are benefiting from treatment at the Falk clinic. I encourage all other members to implore the Minister of Health to act immediately in this regard.

## WASTE DISPOSAL

**Mr. Cousens:** I would like to raise the important subject of the disposal of waste at the Keele Valley landfill site in Vaughan. This landfill site has three problems that have arisen, one per month for the last three months. Most recently, as we have seen in the media, jet waste is being sent to Vaughan in south York region, 10 tonnes a day of untreated garbage from international flights arriving at Pearson International Airport. This waste should be incinerated instead of being sent to a landfill site. We are concerned that although there have been private proposals given to the ministry to do something about this waste, it continues to be sent to south York region.

I am concerned as well with the problem in November. The town of Vaughan passed a resolution on November 3. Council believes that the Ministry of the Environment must show the same concern for the Maple community and its residential growth and urban and social character as it has shown the Riverdale area in undertaking to remove contaminated material from that community.

There was a resolution as well in October. The same town council of Vaughan passed another resolution saying that, as of then, the town of Vaughan had not been consulted in any way on the terms and conditions on an amendment to the provisional certificate of approval for landfill.

Three months in a row we have had problems with the Ministry of the Environment not dealing fairly or correctly with the people of Vaughan. This has to change.

## HERITAGE DAY

**Mr. Owen:** An annual holiday on the third Monday of February for the people of Ontario is long overdue. A respite from the dreary cold of winter between New Year's Day and Easter should be made available to our citizens.

Of equal importance should be the opportunity to honour the people and events of our heritage,



and by designating the third Monday of February as Heritage Day, a notable person or happening can be reviewed and honoured across the province.

At the same time, each local community can do the same for a citizen or event of significance for the history of that community.

With such a process we can educate and focus attention on our rich and exciting past. We would better understand our present and future if, as a people, we had greater knowledge and appreciation of our history and roots. Let us learn about and honour John Graves Simcoe, Laura Secord, our premiers, the martyrdom of Jesuits, Drs. Best and Banting, Sir Ernest MacMillan, the restoration of the Elgin and Winter Garden theatres or this building in which we debate, the reclaiming of the Holland Marsh, our native people, Mennonites, Ukrainians and Irish.

The past is rich and varied. Let us all start on the journey of rediscovering it. Let us finally designate the third Monday of February as Heritage Day in Ontario. Our past demands it; our future needs it. Let us act.

#### STEEP ROCK RESOURCES INC.

**Mr. Hampton:** Last week the Minister of Natural Resources (Mr. Kerrio) acknowledged that his ministry was negotiating with Steep Rock Resources for the surrender of the former Steep Rock Iron Mines site in Atikokan.

When Steep Rock Iron Mines shut down its Atikokan mine in 1979, the company reputedly took \$53 million with it out of the community and the community lost some 600 full-time jobs. Now Steep Rock Resources wants to dump the abandoned mine site back on the province.

The site contains two polychlorinated biphenyl dumps which must be inspected and eventually disposed of, 17 water control dams which must be maintained in order that the water levels in surrounding lakes are stable, and the legal liability which necessarily attaches to a huge open-pit mine located near a community of 5,000 people.

The minister's staff has acknowledged that under the provisions of the current Mining Act, the province's bargaining position vis-à-vis Steep Rock Resources is very weak and the province may be stuck with site maintenance costs well into the future.

The province has already indicated it intends to review the Mining Act very soon. Why not proceed with that immediately and then deal with Steep Rock Resources only after we have a new Mining Act—one that has some teeth in it, one

that can deal with the situation and does not result in the province having extreme costs dumped upon the public purse?

#### PROVINCE OF ONTARIO SAVINGS OFFICE

**Mr. Runciman:** In the last six years there have been at least 28 chartered-bank branch closures in Ontario; in the past six months, two in my riding in the villages of North Augusta and Lyndhurst. Because of this callous approach by the chartered banks, many small towns and villages are without adequate banking services. There are more than 100 households in North Augusta, where those people living on the outskirts of the village consider there is a need for a financial service to fill the void.

I believe the establishment of a Province of Ontario Savings Office in those communities deserted by private sector banks would effectively fill this financial services void. A lack of local banking services is particularly injurious to senior citizens who cannot get around easily, and this results in a disincentive for people to live in small rural communities. I understand there have been a number of requests from different areas of the province to open branches and to provide satellite banking service.

#### 1340

I believe the government is obligated to review these requests and to provide financial services in those areas where population levels demonstrate a need for them and where financial benefit can be determined. Unlike the private sector banks, the Province of Ontario Savings Office is not profit-oriented. It does not compete with the private sector; rather, it is geared to providing necessary services to communities similar to North Augusta. I urge the government to ensure that the Province of Ontario Savings Office is utilized to meet this growing financial services crisis.

#### FRENCH-LANGUAGE SERVICES

**Mr. Daigeler:** Although Bill 8 was supported by all three parties, much was made during the election by certain members of the opposition about the dangers arising from this initiative with regard to job security for unilingual anglophones. I am pleased to see that the government has renewed its pledge to implement the French Language Services Act rather than retreat in the face of misinformation and fear-mongering.

No doubt the implementation of this act must be done sensibly and with due regard for the employment rights of English-speaking Ontarians. We must make every effort to avoid the



friction brought about by certain federal initiatives. At least in eastern Ontario, there is a substantial number of people who feel threatened by the promised increase of government services in French. The implementation of Bill 8 must therefore be accompanied by a detailed and prolonged information campaign as to what is being done.

In my view, our efforts to protect Franco-Ontarian culture should be much broader than mere information about the law. As I see it, we must make deliberate and determined efforts to promote better understanding between anglophones and francophones in this province.

In this context, I would like to welcome the fact that after a five-year period of inactivity, the Ontario-Quebec Commission for Co-operation was reactivated last April. I wish to encourage both provinces to put forward proper funding and to encourage those cultural, educational, sports and cultural groups to engage in frequent—

**Mr. Speaker:** Order. The member's time has expired. The member for Hamilton West for 35 seconds.

#### MENTAL HEALTH SERVICES

**Mr. Allen:** Nine years ago, the same day on which the new detention centre in Hamilton was opened, the forensic psychiatry unit at the Hamilton Psychiatric Hospital was closed. Since then the region's police, courts, corrections officials, social workers and psychiatrists, not to mention the affected prisoners themselves, have been labouring with piecemeal, part-time and, it is not too much to say, haphazard resources to help people whose badness is mixed up with madness, to put it crudely.

The minister has had various proposals, over nine years, to do something about this problem. Nothing is happening. When in the name of God is the minister going to get off his rear end and do something about this scandalous situation?

#### STATEMENT BY THE MINISTRY

##### PHYSICAL EDUCATION PROGRAM AWARDS

**Hon. Mr. Ward:** I am pleased to inform the members today that 15 Ontario schools have won national awards from the Canadian Association for Health, Physical Education and Recreation for the outstanding quality of their physical education programs.

Excellence is one of the key goals of Ontario's educational system, and the standard set by the association for these awards reveals the high quality of the programs in these schools.

The schools recognized are Lord Elgin School in London, W. Earle Miller Public School in Timmins, Sir John A. Macdonald Secondary School in Hamilton, Regina Public School in Ottawa, Elizabeth Ziegler Elementary School in Waterloo, James McQueen Public School in Fergus, Gordon McGregor Public School in Windsor, Dundas Central Elementary School in Dundas, Centennial Secondary School in Welland, Homelands Senior School in Mississauga, St. Mary Separate School in Elora, Orleans Wood Elementary School in Gloucester and three Metropolitan Toronto schools: Alexander Muir Junior Public School in Scarborough, Wilkinson Junior Public School in Toronto and Chester Public School in East York.

The award-winning programs of the schools had to meet three criteria: quality of program, focus on developing physically active lifestyles for its students and a variety of activities to meet students' needs.

Physical education is an essential component of Ontario's education system. Good physical education programs produce well-disciplined, highly motivated students. These assets carry over to their social and academic lives.

I am sure the members will join me today in congratulating the principals and staff of these schools whose efforts played a major role in earning the recognition their schools have received.

#### RESPONSES

##### PHYSICAL EDUCATION PROGRAM AWARDS

**Mr. Allen:** I would like to associate both myself and our critic who is absent today, the member for Scarborough West (Mr. R. F. Johnston), and also our caucus with the congratulatory comments that the minister has made with respect to these schools and their outstanding accomplishments in the field of health, physical education and recreation.

It is not too much to say, and many people have made a point of saying, that systematic physical education in our schools is absolutely fundamental to academic accomplishment in the rest of the program that children undertake in their school day. Without it, their academic accomplishment actually falls. This is a critically important question when you come down to what it symbolizes and what it means for the system as a whole.

Also with respect to the minister's announcement, he will recall that in the recent strike of teachers in the Toronto system one of the major



problems was that the lack of specialists and the cutbacks for specialists, including physical education specialists, in the school system was part of the issue that was at stake in terms of teacher preparation time and so on.

What has happened recently in the history of our schools in Ontario is that funds available for special education, and specialists in particular, across the system are making it impossible for the systems to provide the very things that the minister is congratulating people for doing well here and there in the province. To me, this is a very contradictory kind of situation for the minister to be in.

I would have been much happier if the minister had accompanied this announcement and this praise for well-deserving schools and well-deserving programs, teachers and students with a program of funding that would have reinstated physical education specialists at their appropriate level in both elementary and secondary schools across the whole range of the Ontario school system.

**Mr. Jackson:** It is my pleasure and privilege on behalf of the Progressive Conservative Party to respond in like terms on behalf the students who are being recognized and honoured in the House today. It has been a long-standing tradition in Ontario to recognize excellence in its students and we are pleased to join with our support.

There is, however, the question of the thousands and thousands of Ontario students who were unable to participate in this program and other programs like it because of the government's inability to deal in an effective way with the matter of the student drop-outs in our schools.

When we were advised that there was going to be an announcement in the House today by the minister, our party assumed that the minister would be making a statement with respect to the long-awaited Radwanski report, which we understand has been published and has been in the hands of the minister now for some weeks. We believe that is a very pressing and real need in this province, and clearly a commitment that this government made three years ago when it was in opposition that it would deal effectively with that matter.

The real story today is that we are proud to acknowledge the efforts of our students, but by the same token, the real tragedy in Ontario is that we are lacking a focus for the thousands of students who are unable for a variety of reasons to complete their academic opportunities, resulting in an absence of hope for them and the

absence of a real strategic plan in this province to help our students who drop out at alarming rates.

I urge the government to bring forward the Radwanski report and to ensure that it has solid programs to ensure that the drop-out rate begins to reverse and repair itself in this province.

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## STANDING ORDERS

**Mr. Harris:** On a point of order, Mr. Speaker: I rise now to give you as much opportunity and time as you can to consider what I would like to ask your advice on. It is with regard to standing order 43 which, as you will know, reads, "No motion, or amendment, the subject matter of which has been decided upon, can be again proposed during the same session."

I bring that to your attention at this particular time, Mr. Speaker, because you will notice in the Orders and Notices paper today is a fairly lengthy motion being proposed by the government that concludes, "For these reasons, the Legislative Assembly of the province of Ontario opposes this agreement as detrimental to Canada's sovereignty;" and also suggests the action the House should take, that being to condemn it and to "urge the Parliament of Canada to reject the agreement."

I think where I am going to get into some difficulty, and I think this chamber and the government will get into some difficulty, is I understand, although I have not been formally told, the intention is to try to pass that this week or before Christmas. At the same time, the House leaders and the whips are involved—in fact, today—in deciding upon committee hearings on the whole matter of the free trade agreement. We are looking at scheduling, we are looking at expending money; we are looking at those right now.

I ask you, Mr. Speaker, before the debate begins today or some time today, if it is possible, if you would concur with my view that if this resolution is passed, in fact the matter will have been decided and it will be totally out of order for this chamber or one of its committees to be back dealing with the issue in January and February or at any time during the rest of this session.

I would suggest to you it may be in order if you or your officials can look at that so that the House leader and the government do not start down a slippery slope that they really do not want to end up on. I think the facts are as I have pointed them out to you.

**Mr. Speaker:** I listened very carefully. I am not certain if I can consider the matter prior to the



discussion proposed for today, unless the honourable member would want to take the chair during question period.

I appreciate the point made by the member in reference to standing order 43 and I certainly will look at it as soon as I can.

## ORAL QUESTIONS

### TRADE WITH UNITED STATES

**Mr. B. Rae:** I see the Premier is coming in. I am delighted to have a chance to ask him some questions.

While I was in Washington yesterday attending a congressional symposium organized by Congressman LaFalce and Senator Evans from Washington, Mr. LaFalce and I had an exchange on what I thought the Premier might or might not do. I said I had been trying to figure the Premier out for a very long time, and I was not in a position to guess, but the Premier had said on a number of occasions that Ontario would not implement those sections of the agreement that fell within provincial jurisdiction and referred specifically to the wine question as an example of where Ontario would move. I also said that I felt it would be very difficult for the Premier, given the positions that he has taken, to express any other view, either publicly or privately, with regard to what was taking place and what would take place in the future.

Mr. LaFalce then interrupted me to say that he was surprised to hear me say that, because while he was aware of what the Premier had been saying in public, he said in a private conversation which the Premier had with him, the Premier said, "These things have a way of becoming a permanent feature of the law once they are done, and once it is done, it would be very difficult to undo it." Those were the words that Mr. LaFalce attributed to the Premier.

**Mr. Speaker:** Question.

**Mr. B. Rae:** I wonder if the Premier can confirm that that is the conversation he had with Mr. LaFalce.

**Hon. Mr. Peterson:** No. I think the member's interpretation is correct, probably for the first time that I have known him. With as much respect as I have for him, the member's interpretation is correct.

I did not have a private conversation. I had a conversation with him and two or three other congressmen. The minister was there, and a variety of officials. So I think the member's interpretation is absolutely bang on. I congratulate him.

**Mr. B. Rae:** Perhaps I could ask the question again. Did the Premier use those words in his conversation?

**Hon. Mr. Peterson:** That is not my recollection, no.

**Mr. B. Rae:** I am interested to hear the Premier say that. Can he tell us precisely what is his view with regard to what happens if the agreement is signed on January 2, which we can only anticipate it will be, and if that signing is then followed by legislation at the federal level and in the Congress, can the Premier tell us precisely what steps he plans to take on behalf of Ontario to make sure that once the signing has taken place the implementation does not take place? Can he give the House that indication today?

**Hon. Mr. Peterson:** I think we have laid this forward in the resolution that will be presented to the House today for discussion. I do not believe we are under any obligation to implement anything that is in provincial legislation. My honourable friend, for example, would want to bring forward the case of the wine, where this agreement would purport to change provincial policies in that regard. I do not believe we are under any legal obligation to implement that. I cannot imagine the federal government would take the position that we are.

We will clearly not be bringing forward legislation to implement those sections. That is one, as I said, that is clearly under provincial jurisdiction, so I hope that clarifies the matter for my honourable friend, because that is the view of the government and that is the view that is put forward in a resolution, that we are not bound to implement things that are under provincial jurisdiction, and we will carry on accordingly.

**Mr. B. Rae:** The Attorney General (Mr. Scott) has given a speech, of which I have just received a copy, to the Canadian Bar Association in which he outlines over some nearly 30 pages the very specific concerns he has, presumably speaking on behalf of the government of Ontario, with respect to the fact that governments, both provincial and federal, are being denuded of their power and capacity to intervene in the economy and in the marketplace on behalf of the citizens who have voted for those governments, an argument which I can say I have made on a number of occasions.

I wonder if the Premier can tell us: what is he waiting for in announcing the decision of the government of Ontario to take this deal to the Court of Appeal? What is the holdup? Why is the



government not prepared to state categorically that this is in fact what it will do?

**Hon. Mr. Peterson:** The member may want to wait for the Attorney General, who will be here shortly, presumably, and who understands it far better than I do, to discuss the legal ramifications. But the precise answer to the question, on the basis of legal advice we have at the moment, is that this treaty, this contract, this accord is not referable and that the odds of any successful application at this time would be very, very low and probably negligible. Where it becomes a constitutional issue potentially is in the implementation legislation which may or may not follow at some time in the future.

That is the answer to my friend's question. My friend would say that this should be referred immediately to the courts. The legal advice we are getting, and the Attorney General can expand on this further, is that that is not a reasonable option at the moment.

**Mr. B. Rae:** I want to remind the Premier, and I hope he is in the House for the debate this afternoon, because I am going to go over the number of occasions since November 1985 when the Premier has said: "I cannot act right now. There is one more thing has to happen and then I will finally do something." He said it in November 1985. He said it through 1986, on every occasion when we were pressing him to take action. On November 4, 1985, he said, "Mr. Speaker, I think you can sleep well tonight"—and I have no idea whether you did on the night of November 4, Mr. Speaker; perhaps you keep a diary—"knowing this province is in very good hands with respect to its protection." That is what the Premier said in November 1985.

Now we have the deal, we can thank the Premier of Ontario for sitting on his hands for two years and sharing a responsibility for the deal and even at this point not indicating whether he is in fact prepared to launch a constitutional challenge to this deal. That is the reality.

I would like to ask the Premier specifically, why is it that he is refusing now to refer this matter to the Court of Appeal when that is at least one indication that we can deliver to the government of Canada and to the government of the United States that as far as Ontario is concerned this deal is not acceptable? It should have been unacceptable in 1985 and in 1986.

**Mr. Speaker:** Order. The question has been asked.

**Mr. B. Rae:** Now that we are heading into 1988, does he not think it is time we sent that signal?

1400

**Hon. Mr. Peterson:** My honourable friend has an ideological response to this whole discussion and always has had, and I understand that. What we have said is that we have looked at this deal and we do not think it measures up. We think it is a bad deal for the country. That is the position of this government. He comes at it from a more ideological point of view and I understand that because that is his approach on most of these issues.

I give exactly the same answer to his supplementary as I gave to his first question. On the basis of the legal advice we are getting, the treaty itself is not challengeable. It is clearly within the purview and the jurisdiction of the federal government to make treaties. Where it becomes a constitutional issue in this province is at the point where there is specific implementation legislation.

**Mr. B. Rae:** If the Premier wants to go through this in some detail, he knows perfectly well that he can refer any question to the Court of Appeal. He can determine what that question will be. He can determine whether that question will be in the form of wording which reflects draft legislation, either federal or provincial. He can determine how long that question is going to be or how short.

The government of Ontario can determine whether it is draft legislation, whether it is mock draft legislation, whether it is made up by the government of Ontario. He can determine the question himself. That is within the purview and the power of the government of Ontario in making a referral to the Supreme Court of Ontario. It is within our jurisdiction to do that. He is not limited in terms of the question he asks.

If what he is saying is that it is in terms of treaty legislation, in terms of specific legislation, why does he not draft the legislation or refer a question which refers the draft legislation and make that the question he refers to the Supreme Court of Ontario, and do it now rather than wait until it is too late? He has already waited until time's awasting. He has consistently delayed on this question. Why not move now?

**Hon. Mr. Peterson:** I understand, and my friend would want to understand, what he said. He said to make up a piece of legislation—

**Mr. B. Rae:** I am saying you can refer the question.

**Hon. Mr. Peterson:** No, just a minute. He said to make up a piece of legislation, either one that we would bring in that we are not planning



on bringing in, or make up one that we think the federal government might bring in; although we have no idea what the federal government will bring in by way of implementation legislation, it can bring in something else.

**Mr. B. Rae:** Sure you do. Of course, you do.

**Hon. Mr. Peterson:** My honourable friend may have some idea about that. I will say my honourable friend is quite wrong in that regard; he gets a reference on an issue that does not become--

**Mr. B. Rae:** You are saying you do not know which legislation they are going to bring in. You have the treaty in front of you. You are playing it so cute and you are blowing it on behalf of Canada. You share that responsibility.

**Mr. Speaker:** Order.

**Hon. Mr. Peterson:** My friend wants to hoot and holler, as he has always done on these matters. I can tell him that I do not believe his approach to handling this thing is the correct one in the circumstances.

**Mr. Brandt:** It is an interesting debate. My question, as well, is for the Premier with respect to free trade. It is interesting to note that this afternoon the Premier is in full flight on his legal position with respect to the whole question of this government's options relative to this point.

We have had a number of groups in Ontario that have indicated their support for the agreement. There is the construction industry, which says in today's *Toronto Sun* that it will mean more jobs and more work for Ontario construction workers. The investment industry says it will mean a higher level of income for the average man in the street and therefore more savings and more investment opportunities. General Motors, contrary to what the Premier has said with respect to the auto pact and other auto activities, says it will result in more automotive jobs. The retail industry says it will mean lower prices.

In the light of what all those groups are saying about free trade, can the Premier, as the spokesman for the government on behalf of the province of Ontario and the citizens of this province, tell us why in the world he would be against a deal which is ultimately going to mean more jobs, more work and higher pay for the citizens of this province? Why would he oppose that deal?

**Hon. Mr. Peterson:** My honourable friend takes a great deal on faith. Frankly, if I was in that position, that is about all I would have to exist with; it would be faith, in the circumstances. You can see, Mr. Speaker, that it is not

easy for us, surrounded as we are by ideologues coming at us from both directions. It is not easy to be a moderate, thoughtful, practical government directing a course for this province surrounded by all this carping. I say to my honourable friend that after our analysis, we believe it is not going to have those results and that we believe the downsides inherent here are far greater than any potential upsides.

We look at the vulnerability of the food processing industry, for example, and the vulnerability of agriculture, where it will probably cost our farmers in Ontario \$100 million in terms of farm-gate receipts. We look at the vulnerability of the auto parts industry, which has not benefited; it has been substantially weakened as a result of this. We look at the fact it has not guaranteed access into the United States, which some wanted to achieve. I do not believe my honourable friend's interpretation of the agreement is correct in terms of securing more access. As a matter of fact, it has enshrined US trade remedy law against us.

It is interesting to note that even the federal committee today, I am told, on this issue said the deal is not much good unless we achieve an exemption from the omnibus trade bill, which could be coming down this year, and as the agreement reads at the moment we will still be subjected to the punitive provisions of the omnibus trade bill if it is passed in 1988.

Thoughtful people are starting to look at this. I recommend that course of action to my honourable friend and he may very well have a different view, rather than just reading press reports on this matter.

**Mr. Brandt:** It is interesting to note that a lot of the facts the Premier puts forward as being absolutely, totally factual are nothing more than guesses on his part. He has no studies whatever to back up or substantiate any of the points he has made in his response to me.

I ask the Premier, in the light of the fact he has previously indicated in public pronouncements that the free trade agreement will gut the auto pact, why is it then that General Motors says there are going to be new jobs because we are going to encourage more building of components in North America and Canada?

As well, the free trade agreement is supported by--

**Hon. Mr. Elston:** North America.

**Mr. Brandt:** North America and Canada.

As well, the FTA is supported by groups--and this is running absolutely contrary to the statements the Premier has made and reiterated time



and again—such as the Automotive Industries Association of Canada and the Motor Vehicle Manufacturers' Association of Canada, which have a very clear and a very specific interest in securing the best—

**Mr. Speaker:** Order.

**Mr. Brandt:** My question—

**Mr. Speaker:** No. You did place your question. Order. The question was asked earlier.

**Hon. Mr. Peterson:** If I were one of the major North American automobile manufacturers, American-owned, I would support the deal because it allows the industry to be run out of Detroit. That is exactly why I am against the situation.

Of course, it gives to the motor vehicle manufacturers a flexibility they have not had in the past. We know right now the reality is that we do have a unit-cost-of-assembly advantage over the United States, and we are doing very well at that at the moment. If there are fluctuations of the dollar, that will not persist.

My honourable friend, who has raised this matter in this House on other occasions, knows there is an overcapacity of assembly in North America, and he will know there have been substantial closedowns and layoffs in that particular regard. Where Canada has to fight in the future is in terms of the auto parts sector. I would want my honourable friend to stand up and say—

**Mr. Brandt:** They are in favour of the deal, by the way.

**Hon. Mr. Peterson:** They are not. I say to my honourable friend, and I do not want to be unkind, he is uninformed. I say to him as kindly as I can, he is uninformed. The auto parts manufacturers are not in favour of this deal, because it removes the safeguards for Canadian production. They know, as Mr. Stronach of Magna International, for example, will tell him, they can just as easily put the auto parts plants in the United States now. Mr. Lonmo is not in favour. Mr. Buganto, who is the president of the Automotive Parts Manufacturers' Association of Canada, is offside.

I can tell my honourable friend he is wrong, and Canada is going to lose in the area where it has the greatest potential in terms of auto parts manufacturing in the future. I think my honourable friend would want to be fully informed on that before he stands in this House and builds his whole argument on a foundation of sand.

1410

**Mr. Brandt:** Let me give the Premier a couple of organizations that do not have a head office in Detroit.

**Hon. Mr. Bradley:** The Progressive Conservatives.

**Mr. Brandt:** Yes, I say to the Minister of the Environment (Mr. Bradley), he is absolutely correct. We do not have a head office in Detroit.

The Premier is well aware that two of the major groups that speak for business in Canada, small business in particular, and also speak for business in Ontario, are the Canadian Chamber of Commerce and the Canadian Federation of Independent Business. The Premier knows that over the past six years something like 75 per cent of all new jobs have been created by the small business sector and that this is one of the most dynamic and growing parts of the Ontario economy. The Premier also should be aware, neither of these organizations having a head office in a foreign country, that both the chamber and the Canadian Federation of Independent Business are in full support of the free trade agreement.

Given their support and the support of the industries I mentioned earlier, a whole vast array of industries that have indicated their support for the free trade agreement, how can the Premier continue to take this position which he does, obviously blinded to the facts, telling all those who disagree with him that they are ill-informed or badly informed, when in fact the most ill-informed citizen in this province is the Premier himself? Can he tell me how that is possible?

**Hon. Mr. Peterson:** There is one fundamental difference between the two parties. This party is not run by the chamber of commerce, the way my honourable friends of the third party are. We do not consider ourselves the parliamentary wing thereof. Our responsibility, I believe, is to speak for all Canadians.

It is interesting. The Treasurer (Mr. R. F. Nixon), the Minister of Industry, Trade and Technology (Mr. Kwinter) and myself met with the OBAC group last week, the Ontario Business Advisory Council, 40 or 50 chief executive officers under the aegis of the chamber of commerce, and we had a very serious discussion of this issue. There is no question, as my honourable friend has said, that there are a number of people who are members thereof who are in favour of the deal. It is interesting. A lot of them are multinationals and foreign owned, and I understand where they are coming from in that regard.

But I say to my honourable friend that by no means is the opinion that he expresses unanimous. There were a considerable number of



people in that group who agreed with the position that Ontario has taken, that Ontario is reaching beyond just that group that would pretend to present a monolithic view.

I give the member, for example, Mr. Ritchie, the chairman of the Bank of Nova Scotia, who stood up and said, "This is a bad deal," even though he happens to be a member, probably, of the chamber of commerce, the Business Council on National Issues and a lot of other groups.

There are individual Canadians, a substantial number, even in business, who do not believe this is a deal in the national interest. It may not hurt their business, as in the example of Magna International, because they can just as easily put their new plant in Kentucky as they can in Ontario. But as Canadians, they are standing up and saying, "This is not in the national interest." That is where I am coming from on this issue.

### RESOURCE INDUSTRIES

**Mr. Pope:** It is obvious in the Premier's response to the Leader of the Opposition (Mr. Brandt) that this government is in full retreat with respect to a legal strategy on the free trade agreement. The Premier has—

**Mr. Speaker:** Order. The question is to which minister?

**Mr. Pope:** I want to ask a question of the Premier of this province, who has failed in his legal strategy over the past six months, if not two years, vis-à-vis this treaty. It is obvious today from his response to the Leader of the Opposition (Mr. B. Rae) that he has lost the internal legal debate on what Ontario's strategy should be and what its rights would be vis-à-vis this opinion, in spite of what he said to the electors of this province in the fall.

Last March 31, the Premier of this province, in a speech to the Ontario Mining Association, indicated, "Every major US attempt to block Canadian exports has been in the resource area and these cases go to the heart of our ability to achieve economic development in our resource-dependent regions." On the very next page of that speech, he said, "The main concern of the province would be to continue to press the need for our resource industries to retain unfettered access to the American market." Can the Premier tell me what steps he has taken since that speech to give the resource industries unfettered access to the American market?

**Hon. Mr. Peterson:** I should tell my honourable friend that we work very closely with the resource industries in this province with respect to trying to achieve unimpeded markets into the

United States. There is no question there have been some difficulties in that regard with steel, as my honourable friend will know, and with softwood lumber, which I am sure he will mention in his supplementary. He always does. He comes down once a week out of the far north, hoots and hollers about softwood lumber and leaves again. I just have a little personal advice for my honourable friend. He may want to broaden the range of his questions a little bit if he really has aspirations.

I think if my honourable friend asked the resource industries, they would tell him that Ontario has worked very hard with them to assist in the various lobbying efforts and to try to gain that unimpeded access. This agreement has not achieved unencumbered access. I cannot guarantee there will not be trade interruptions some time in the future without this deal, or with this deal, because the existing US trade remedy law stays exactly as it is. It will be amended over the next year with the omnibus trade bill; and after that if Canada is mentioned, but only on countervail and antidumping. Canada will automatically be included in any other remedies.

Some of the resource industries say, "Look, I am in favour of this deal because we may get a little better atmosphere." I do not think any of them believe this is going to solve all of their problems. If they do, I am sure my honourable friend will tell me.

**Mr. Pope:** Given the fact that the Canadian Pulp and Paper Association at its last annual meeting and the softwood lumber industry have indicated to the Premier on numerous occasions their concern with access to the American market, the fact that it equates to community economic stability in the resource regions of this province and in Toronto, and given the fact that they feel there has to be some improvement in the trading relationship between Ontario and Canada and their largest customer, the United States, what steps has the Premier taken which he promised in this speech—never mind his discussions—to help the lumber industry and the pulp and paper industry of this province to get better access to the American market?

**Hon. Mr. Peterson:** One of the things we did was stand up very clearly on the question of the softwood lumber tax. When the member's friends in Ottawa decided to impose this tax, we believed it was a completely wrong approach in the matter. The member will be interested to note that our government signed the government-to-government agreement with respect to that tax. That tax is now enshrined for ever.



It seems to me that if I were negotiating this free trade deal, the first thing I would have said was: "Look, get that softwood lumber tax off the table. We have to get rid of that." Rather, our government was hoodwinked, as I said, into creating a government-to-government agreement that will stay there for a very long time into the future. That gives one some insights into the quality of the negotiators we have in Ottawa.

**Mr. Pope:** It gives me some insight into the Premier, who on September 26, 1986, authorized the Deputy Minister of Natural Resources to agree to the softwood lumber tax. He has been trying to mislead the people of this province ever since about the fact that he signed that deal. Ever since, he has tried to deny it, but it is the truth. He would not tell us in the House, but it is the truth.

**Mr. Speaker:** Question?

**Mr. Pope:** Now we have the same government publicly saying it will not go along with the free trade agreement and privately setting the stage to implement the agreement. We want to know what the Premier is doing to get better access for the resource industries of this province to protect jobs in Toronto and the rest of the province. He will not tell us, because he has done nothing. When are the government members going to get off their collective duff over there and work for Canadian industry and get us access to the American market?

**Hon. Mr. Peterson:** My honourable friend has such a way of putting his questions. If he asks people in the industry, they will tell him they get enormous co-operation from this government, in working on those problems that we jointly have, from a very highly respected set of ministers.

1420

As I said to my honourable friend, I think he is mistaken in this regard. On the one hand, he accused me of being in favour of the deal; on the other hand, he accused me of being against the deal; so I think my honourable friend will want to hone his own position on that. This deal will not solve the problems that have been presented in the past.

**Mr. Jackson:** What are you doing about it?

**Hon. Mr. Peterson:** We are working very closely with them. There is no magic solution to this, there is no one thing that is going to solve all of these problems, but I think that Ontario, in conjunction with the industry, has very forcefully put forward the position and, with any luck, in the future it will be a less heated situation than it is now.

## FUNERAL SERVICES

**Mr. Swart:** My question is to the Minister of Consumer and Commercial Relations. I want to remind him that since July 1985 he and the previous Minister of Consumer and Commercial Relations have been sitting on a report of their investigator, Tom Turner, a report which is a major indictment of the practices of the commercial cemeteries in this province.

For example, Mr. Turner says: "My investigation left no doubt in my mind that in most cases I was purposely misled, intimidated, lied to and, considering the psychological distress conveyed in my role as a consumer purchasing at a time of need, preyed upon in general techniques used by the cemeteries in the sale of cemetery supplies, which were often found to be unfair and deceptive. Specifically, the sales techniques used by the representatives of Arbor Capital Resources Inc. verged on despicable."

**Mr. Speaker:** And the question?

**Mr. Swart:** Given that kind of situation and given the urging by both consumer groups and good operators in the bereavement industry, why has the minister not taken a single step to legislatively correct these horrendous practices and stop the exploitation of bereaved families?

**Hon. Mr. Wrye:** The honourable member refers to the Turner report, which he suggests is suppressed and then reads portions of it, which I find interesting. He will know the report was an investigative report which was done a year and a half or two years ago by an individual who is no longer with the ministry.

He will also know, because he asked my predecessor a number of questions during the standing committee on administration of justice deliberations on the estimates of the ministry, it is not the view of this government, for a number of reasons, to release the report. It is an investigatory report.

Second, and I say this quite candidly to the honourable member and to other members who are aware of the existence of the report, it is my view, and this was a view of my predecessor, that this is also not a very good report. It is not a very professional report and, frankly, it is outdated.

All that being said, I must say—and I anticipated, seeing the honourable member's resolution now in Orders and Notices, that there might be a question on the bereavement sector—I certainly share some of the concerns enunciated by the honourable member that a number of reforms need to take place.



We are currently reviewing possible legislative initiatives. As the members will know, there is one bill already before the House in terms of protection for consumers in prepaid funeral situations. I would expect and hope that in the not-too-distant future we will be able to address other important issues in this so-called bereavement sector.

**Mr. Swart:** I must say those of us on this side of the House are getting a little tired of hearing the minister say he has some sympathy with the allegations made by Mr. Turner, but it is not a very good report. The minister uses exactly the same lines as the previous minister did.

One year ago the then minister sloughed off my questions on this matter in the justice committee by saying the report "lacked sufficient facts and details to adequately support any firm conclusions." He stated he would not be releasing it, but said, "It is a situation that is being addressed in an ongoing manner in my ministry." Yes, for two and a half years. Because his ministry has done nothing, I am releasing Tom Turner's report. Let the public judge its implications.

**Mr. Speaker:** Does the member have a question?

**Mr. Swart:** Why is it that, to date, he will not even meet with certain reputable segments of the industry, such as the monument builders and the Ontario Funeral Service Association and certain cemetery organizations? Specifically, will he now give a commitment to bring in legislation conforming to my private member's resolution, which he has read, to separate clearly the ownership and operation into the three appropriate sections—funeral services, interment cemeteries and monument builders?

**Hon. Mr. Wrye:** I find it interesting that the honourable member would choose to release an investigatory report, a report which is not up to anybody's standards of adequacy in terms of its professionalism. It is up to my friend whether he wishes to release that kind of a report, but I would suggest to him, as kindly as I might, that is a somewhat unprofessional attitude to take.

As recently as last Friday, I met with funeral directors and a number of monument builders in my own riding. My staff has had a number of meetings, and I expect we will have additional meetings in the new year. Those meetings are the first step towards the kind of legislative response that I hope we can come forward with in the not-too-distant future.

I will certainly, as I always do, take into consideration the views of my honourable friend

contained in his resolution. Perhaps when the legislative changes come forward, he will find at least some of his views reflected in them.

## AGRICULTURAL INDUSTRY

**Mr. Villeneuve:** I have a question to the Premier. Articles 401 and 702 of the free trade agreement provide for phased elimination of tariffs over a 10-year period with the exception of the snapback provisions on the fruit and vegetable sectors.

Article 704 provides for exemption from restrictions under meat import laws. This is creating free trade in veal, pork and beef. Can the Premier be against such a progressive and expanded market situation? Will he please explain that to the meat producers?

**Hon. Mr. Peterson:** We have done an analysis and we believe the net farm gate receipts in Ontario will be down about \$100 million overall. If we look at the various commodity groups, I cannot deny that this is a bad thing for the cattlemen and for the meat producers. It is not a good thing for the grain producers, for our horticultural industries or for our tender fruit industries. There are, in a sense, winners and losers, but the overall net loss is significantly greater than the gains.

**Mr. Villeneuve:** That is not a very good explanation to the meat producers. If this government continues as it has done in the past, it may pass this on to the municipalities to solve.

Article 710 specifies that parties retain their General Agreement on Tariffs and Trade rights and obligations—and I emphasize rights and obligations—with respect to all members of agricultural trade and not specifically dealt with in the agreement. This has the effect of protecting federal and provincial supply-managed marketing boards. Is the Premier against that?

**Hon. Mr. Peterson:** What we believe will happen is that we will see an erosion of the protection that supply managing now provides over a long period of time. We are seeing a situation where there are not only problems in the agricultural area, but probably the most significant area of harm is in food processing.

As a result of that, we will see our farmers' capacity to produce affected. Here is the problem my honourable friend will be aware of. Supply management creates generally higher prices for commodities and that creates higher prices for our food processors, so what this is going to do is drive our food processors out of business and, as a result, our farmers will follow not too far after



that. There is a vulnerability my friend has not thought about.

I am not saying that perhaps we will not export a little more beef into the United States, but we will probably see a situation where every food commodity produced in this country with a shelf life of more than three weeks will be produced in the United States. That is probably what we will see with the coming down of tariffs and exposed vulnerability in this area. My friend should be aware that there are 84,000 direct jobs in the food-processing industry. This is probably the most vulnerable industry we have. If they go, our farmers will go not far thereafter.

I say to my honourable friend who purports to speak for the farm community and wants, I know, to represent their best interests, that he should get into this and he will find out that any possible short-term gains for the red meat producers are going to be far outweighed by the losses across the broad spectrum of the industry.

1430

#### STUDENT HOUSING

**Mr. Owen:** I have a question for the Minister of Colleges and Universities.

Interjections.

**Mr. Speaker:** Order. We will just wait until the conversation concludes.

**Mr. Owen:** The original charter for community colleges in this province allowed for on-campus student housing only in northern Ontario and not at all for southern Ontario. That was appropriate at the time for the particular needs of post-secondary school education. However, in the last 20 years, the programs at the community colleges have drastically changed. Many of the community colleges have developed a certain expertise and are recognized across the province or even across Canada for that expertise in the field of knowledge. Now we have students coming to these campuses from all over the province, sometimes from all across Canada. In Barrie, for example, the out-of-town student enrolment is in excess of 60 per cent.

My question to the minister is, what is being proposed to address this problem which seems to be accelerating every year in the degree that it causes problems for these students seeking housing on these campuses?

**Hon. Mrs. McLeod:** I thank the honourable member for his question. He has quite correctly identified the original policy and it continues to be current ministry policy, which provides that only northern colleges may build student resi-

dences. The only exception to this was made in 1973 when nursing programs, with their attached residences, were transferred to colleges.

The member again is quite correct that the original mandate of the colleges was seen to be serving the students of the immediate community, and therefore, this policy of providing residences only in northern communities where they were serving a larger community was developed.

We share his recognition that because of the expertise of the colleges, they are attracting students from beyond the immediate community, and because of this recognition the ministry has initiated a review of the need for college residences. The review will be looking at the operation of existing residences, the need for residences for colleges which do not currently have them, and as well, the funding implications. I expect the results of that review shortly.

**Mr. Owen:** Georgian College, for example, has campuses at Orillia, Penetanguishene and Owen Sound, but the largest one is in Barrie. Barrie already has a zero vacancy rate. Every August and September, it is like a disaster scene as the students come in. Can the minister tell us, will any help be there and available for this coming summer as we approach the new school year? What is proposed to help on this critical issue with community colleges?

**Hon. Mrs. McLeod:** I acknowledge that there are no easy short-term solutions to problems of student housing. In the absence of residences in some colleges, clearly the availability of student housing relates to the housing situation in a particular community. In discussions with the Minister of Housing (Ms. Hošek) and in ongoing discussions between our two ministries, we are dealing with issues that are related to student housing.

In the case of Barrie in particular, it is my understanding that 100 nonprofit units have been allocated and that construction is to begin shortly. I trust that in the short term this will relieve some of the pressures, both for students and the general population in that community.

#### TIMBER CUTTING RATES

**M. Pouliot:** J'aurais une question pour le ministre des Richesses naturelles.

Is the Minister of Natural Resources aware that MacMillan Bloedel, which owns and operates the waferboard plant in Thunder Bay, has recently served notice to 150 independent work suppliers that the price they will be getting for work, starting in January, will be reduced by 10



per cent even though the price has remained rather static for the past four years?

**Hon. Mr. Kerrio:** Yes, I am somewhat aware of the problem. I must say that the member for Lake Nipigon has put forward his concerns about district cutting licensees in the past in relation with some of the people they were supplying. I must say we did resolve that problem some time ago in one particular dispute. I suppose, though, that in this one I am somewhat aware of the company and the people who are cutting over the licence negotiating some kind of agreement right now. I am not absolutely certain just where it is, but of course, I am always prepared to examine the circumstances and share them with the member.

**Mr. Pouliot:** The minister excels in dealing with generic, but maybe we can do this together and perhaps be a little more specific. He very well should be, for his ministry ordained several years ago nothing short of a monopoly and a cartel, in that MacMillan Bloedel did obtain first refusal on all poplar cut around Thunder Bay, therefore making 150 people captive of their pricing policy.

I would like to remind the minister that in the third quarter of 1987—and the Premier (Mr. Peterson) a few minutes ago reminded us of the tremendous co-operation enjoyed with paper companies—indeed, \$82.7 million compared to \$31.7 million, and the minister helped make it that way. Yet the cutters are asked to take a cut, effective January 1, of some 10 per cent, while those people are turning out record profit. Social justice is not being done. What is the minister going to do about it?

**Hon. Mr. Kerrio:** As I said before, I am very pleased that the member for Lake Nipigon has come before on behalf of third-party people. I suppose that where we were initially was to guarantee, because of the licences, to guarantee wood supply over that area. In order to build any kind of mill, we would have to guarantee a wood supply, which is basically our number one priority.

Interjection.

**Mr. Speaker:** Order.

**Hon. Mr. Kerrio:** You can say that. But the fact of the matter is that because we are in charge of that wood supply, we could be helpful to those people the member is describing. I am fully prepared to examine that to the degree that we can participate.

#### SCHOOL ACCOMMODATION

**Mr. Jackson:** I have a question for the Minister of Education. Yesterday I tried unsuc-

cessfully to get the minister to understand his responsibility in the situation he has created with respect to the allocation of pupil spaces in this province under Bill 30. He seems unable to understand that separate school boards have a responsibility to their local supporters to get the very best deal possible. The minister has told them there is no money to build new schools. He has publicly stated that transfers of whole school buildings from the public board to the separate school board are no great hardship and that sharing is not a viable option.

Then the minister has an arbitrator's report which upholds what he stated publicly, that sharing is not a viable option. Whether he will admit it or not, he has told every separate school board in Ontario that whole-building transfers from the public board are the very best deals that they can get for their kids.

If the minister were a separate school trustee in Ontario today under the conditions which he, as minister, has created, could he in all good conscience do less for his supporters than to refuse sharing and push through the whole process to try to get a public school building transferred for his kids?

**Hon. Mr. Ward:** I have noted with interest over the past few days how the member for Burlington South is quite insistent that we abandon the principles of Bill 30, which were developed over a course of time through a process of consensus within this Legislature. I want to assure the member that we in this government indeed do respect the principles of this legislation. We have encouraged school boards, both public and separate, to negotiate in good faith in the best interests of the communities they represent. Frankly, I do believe that trustees throughout this province are in fact dealing with these delicate issues responsibly and in good faith.

**Mr. Jackson:** The minister persists in not taking responsibility for what he himself, as minister, has done. Yesterday I brought to his attention the situation in Metro Toronto, where the separate board is being advised to jettison local negotiations in order to get to arbitration sooner.

Today I would like to bring to his attention the situation in Frontenac, where the two boards have been sharing a school. Since he interfered with the Hamilton-Wentworth arbitration, and after that arbitrator upheld his public statements, the Frontenac-Lennox and Addington County Roman Catholic Separate School Board had notified the public board that it no longer wishes



to share and is now asking for a whole-building transfer.

**1440**

We have the situation in Hamilton-Wentworth, we have the situation in Metro Toronto yesterday, now we have a situation in Frontenac and soon we will see similar situations in Sudbury, in Renfrew and Lincoln counties. Why is the minister refusing to take appropriate action to undo the damage, which he himself has done, before the situation gets worse, not only in Hamilton but also is repeated across Ontario?

**Mr. Speaker:** Order. The question was asked.

**Hon. Mr. Ward:** As I have indicated to the member on many occasions, certainly I am doing everything within my power to encourage the parties to negotiate in good faith and to arrive at consensual solutions. I know that for his part the member for Burlington South is doing what he can to inflame the situation and encourage the intervention and the abandonment of the principles of Bill 30. Quite frankly, I am disappointed that his party would now choose to take that position.

#### AUTOMOTIVE INDUSTRY

**Mr. Dietsch:** My question is for the Minister of Industry, Trade and Technology. The minister would know of the importance of the automotive industry to Ontario and particularly to certain areas, such as St. Catharines and the Niagara region. Now that the legal text for the free trade agreement is finally available after such a long wait, I would like to ask the minister what the ramifications are for the automotive industry, which is a major, significant employer to the riding of St. Catharines-Brock and therefore a major concern to the residents of those areas.

**Hon. Mr. Kwinter:** When we saw the elements of the agreement, it was our determination that the auto pact had been gutted. Now that we have had a chance to see the legal text, the two significant changes that were made in the text are the CAMI General Motors-Suzuki plant was included—it was grandfathered—and the other was the elimination of the non-US-export duty remission programs.

That is really a good-news-bad-news-bad-news situation. It is good news for the people of Ingersoll-Woodstock in that their plant is going to continue. The bad news is that by implication the fact that it had to be grandfathered means that it will not happen again. The other thing of course is with the duty remission program for non-US imports, that is a worrisome thing for

third-country manufacturers and it is something that we are examining very carefully.

**Mr. Dietsch:** The minister will know that the ramifications to the auto industry are much wider than just to the North American concept. What is being done to find out what the non-North-American car makers' plans are in respect to free trade?

**Hon. Mr. Kwinter:** Members will know that certain concerns were expressed over the period from October 4 to the other day when we got the final text. All I can say to the member is that our agent general in Tokyo, Tim Armstrong, is in constant communication. The latest word that I had from him is that the third-country manufacturers have just got a copy of the legal text. They have not had a chance to analyse it. He will be communicating with me as soon as he has a reaction from them.

#### PLANT CLOSURE

**Mr. Mackenzie:** I have a question for the Minister of Labour. The minister is aware of the closing of the Frankel Steel plant in Milton, which will leave over 300 workers without a job and have devastating effects on them, their community and their families. The workers in the community were given no advance notice until the announcement of the closure in mid-September and the company also did not discuss with them any future possibilities to avoid a shutdown.

In response to the correspondence from the local Steelworkers union, the minister stated, in a letter dated October 26, 1987, "It is the government's view that Bill 85, the Employment Standards Amendment Act, 1987, passed by the Legislature and now proclaimed law, is the correct response at this time."

Bill 85 is obviously inadequate, as we said. When will the minister table amendments that provide for a minimum of six months' notice of plant closures and a full public justification process?

**Hon. Mr. Sorbara:** My friend the member for Hamilton East has made known his views on plant justification and his view of what Bill 85 should have contained on many occasions and again today. The situation at Frankel Steel is not one that any of us rejoice in, as a number of jobs were lost. I set out in my answer to the correspondence that I received our view on Bill 85 and the protection afforded under there. Really, I do not have anything further to say than that.



**Mr. Mackenzie:** It is a totally inadequate bill and the minister is satisfied with it.

The minister is no doubt aware that the number of workers laid off through plant closures is higher in 1987 than it was for the same period in 1982, when we had the recession on. There is no recession to blame. Companies are rationalizing to prepare for free trade.

Despite overall profits of \$2.7 million in the first six months of 1987, the Harris Steel Group, owner of Frankel Steel, is getting out of structural steel. In Harris's annual report for 1986, the chairman said, "I am fully convinced that a successful conclusion to the government's initiative on free trade with the Americans would be a boon to all of Canada but especially to the heartland of Ontario." I want the minister to tell that to the workers at Frankel Steel in the community of Milton.

Can the minister explain why he says he is opposed to free trade but is not willing to bring in legislation to cope with the hardship caused to workers and their communities by corporations preparing for free trade?

**Hon. Mr. Sorbara:** The fact that there have been some more plant closings and layoffs, as my friend the member for Hamilton East mentions, is only half of the reality in Ontario. The other half of the reality, of course, is the hundreds and thousands of new jobs that have been created. Whether or not we are talking about a free trade agreement, the reality is that in Ontario we are going through a rather dramatic industrial restructuring, and that means that sometimes plants will close. Hopefully, in an economy that is well and effectively managed, far more jobs will be created through that restructuring process.

In the case of Frankel Steel, as in other plant closures, through my ministry, with the assistance of the Minister of Skills Development (Mr. Curling) through the Transitions program and from the federal Department of Employment and Immigration, assistance is given to those workers.

We will continue to have some plant closures. It is our belief that the kind of justification legislation that member and that party believes in would be inappropriate within this context. We have seen, with Bill 85, assistance provided for workers that allows for the industrial restructuring to go on but provides appropriate severance pay and termination pay in virtually all cases.

#### MINISTER'S ROLE IN TRANSMISSION LINE DECISION

**Mr. Sterling:** I have a question of the Premier. Under section 8 of Bill 1, the Members'

Conflict of Interest Act, there is a requirement for a member of cabinet to disclose the general nature of a conflict of interest and withdraw from a meeting without voting or participating in consideration of the matter. A further part of that section puts forward a procedure whereby a member of cabinet would have another member of cabinet act in his stead.

One of the glaring problems that has been pointed out by the recent example when dealing with the alleged conflict of interest of the Attorney General (Mr. Scott) is that there is no public notice that one of the members of cabinet might have disclosed a conflict of interest or might have appointed another cabinet minister to act in his stead.

Will the government accept an amendment in the committee to amend this section to allow the public to know when in fact a cabinet minister has declared a conflict of interest or has appointed another minister to act in his stead when there is a conflict?

**Hon. Mr. Peterson:** I am not familiar with the amendment I gather the honourable member wants to put forward. I am sure the committee will discuss any thoughtful amendment put forward that is going to enhance the provisions of the bill, but I am not in a position to comment on that now.

**Mr. Sterling:** Under that same section, as I mentioned before, it says, "A member of the executive council who has reasonable grounds to believe that he or she has a conflict of interest in a matter requiring the member's decision shall request another member of the executive council to perform the member's duties...."

The Premier has heard my allegations with regard to the Attorney General and he heard the concerns of the member for Oshawa (Mr. Breaugh) yesterday with regard to the capacity of the Attorney General to stand as the minister carrying Bill 1 in the hearings that are going to take place in early January.

If in fact the commissioner that the Premier has appointed under this act prior to the act's coming in place has not made a decision with regard to my complaint yesterday, will the Premier ask the Attorney General to step aside and have another member of cabinet stand in his place?

1450

**Hon. Mr. Peterson:** The honourable member has raised this matter on two or three occasions, and it is easy to stand in here and allege conflict of interest. That was a matter that was dealt with some time ago, a couple of years ago. I do not believe, as I told my friend, there is a conflict of



interest, so presumably we have a different point of view.

That being said, he has every right, and I encourage him to do so, to send that complaint to the commissioner to get his readjudication of the issue. But as I said, I do not think it is helpful to the process of government that every time anybody in the opposition or anywhere else stands up and alleges a conflict of interest—be it well-based or ill-founded, or be it because of some other political reason—we hold up the process of government.

I am very happy to have all of our decisions exposed. I am happy to make it all available for everyone to see. I think the bill is constructed as a thoughtful and sensitive one. Now, if there are better solutions to it, I am willing to listen to those, as I am sure the members of the committee are.

**Mr. Sterling:** But he is under investigation under the bill.

**Hon. Mr. Peterson:** The member continues to make this point. I think it is so easy for the member or anyone else to stand up and allege these things, whether they are correct or incorrect. One of the things we try to do when an honourable member makes an allegation is to take it seriously.

**Mr. Sterling:** It is a serious charge.

**Hon. Mr. Peterson:** If the allegation is not well-founded—as I do not believe it is, because it was reviewed a couple of years ago—then we just happen to have a serious difference of opinion.

#### RETAIL STORE HOURS

**Mr. Callahan:** I have a question for the Minister of Labour. Over the weekend one of my constituents brought to my attention a matter which deals with him as an employer of a small business in a large shopping plaza. Pursuant to the terms of the lease in the shopping plaza, the small businessmen are required to stay open on any day in which business can be lawfully carried out.

Under Bill 51, we have carefully provided for protection for employees not being required to work on days such as Sunday. Does the minister have any plans, or would he consider plans, for doing the same thing for employers of small firms in terms of allowing them not to observe the terms of their lease, perhaps by inserting a “notwithstanding” clause in the legislation, and allow them to have the same equal opportunity that employees have of whether they wish to work on Sunday or not?

**Hon. Mr. Sorbara:** My friend the member for Brampton South raises a very good point, of course, and it has to do with the position that some small business owners, retailers, have, generally in indoor malls. I think he had a particular constituent who is raising the issue where the mall is going to be staying open but that particular employer does not want to work.

It is not really a matter that ought to be dealt with under Bill 51. Bill 51 is a simple and direct bill which affords greater protection to workers who are exercising the right not to work on days when their employers cannot be open in any event. But I think it is something that, as the government crafts its policy on Sunday openings and provides enhanced protection for workers, we ought to take into consideration. I want to thank my friend from Brampton South for raising that matter in this context.

#### PETITIONS

##### RETAIL STORE HOURS

**Mr. Owen:** I have a petition addressed to the Lieutenant Governor of Ontario, signed by 2,750 citizens of Barrie:

“We, the undersigned, believe in the importance of keeping Sunday as a common pause day so that all people may have physical, spiritual and social health. We are concerned about the quality of life and the wellbeing of the people of our province and we object to the further commercializing of life through the proposed Sunday shopping legislation.”

**Mr. Cleary:** I have a petition of some 2,600 signatures addressed to His Honour the Lieutenant Governor and the Legislative Assembly of Ontario, from the chamber of commerce, municipal leaders, merchants, clergy and, in general, the people in my riding, asking that the government rethink its position with respect to retail business holidays.

##### EDUCATION FUNDING

**Mr. Morin-Strom:** I have a petition from 373 residents of Sault Ste. Marie. It states as follows:

“Given that the projected enrolment at St. John school in Sault Ste. Marie indicates steady growth, that the present facilities are inadequate to accommodate the present enrolment and that the conditions are not conducive to a healthy learning environment or to maximum use by students, we ask the Minister of Education to approve funding for the proposed extension to St. John separate school.”

I hope the government will act on this petition.



## MOTIONS

### COMMITTEE SUBSTITUTION

Hon. Mr. Conway moved that Mr. McClelland be substituted for Mr. Van Horne on the standing committee on the Legislative Assembly.

Motion agreed to.

### PRIVATE MEMBERS' PUBLIC BUSINESS

Hon. Mr. Conway moved that Mr. Van Horne be deleted from the order of precedence for private members' public business and that all members of the Liberal caucus listed thereafter be advanced by one place in their turn.

Motion agreed to.

## INTRODUCTION OF BILLS

### EDUCATION AMENDMENT ACT

Hon. Mr. Ward moved first reading of Bill 70, An Act to amend the Education Act.

Motion agreed to.

**Hon. Mr. Ward:** Just very briefly, the bill I have introduced today provides for a third form of contract for continuing education teachers. Recently, the Supreme Court of Ontario ruled that a contract is required for members of this group and we have determined that the most appropriate means of accommodating this ruling is the provision of a third form of contract with school boards in Ontario.

### OCCUPATIONAL HEALTH AND SAFETY AMENDMENT ACT

Mr. B. Rae moved first reading of Bill 71, An Act to amend the Occupational Health and Safety Act.

Motion agreed to.

**Mr. B. Rae:** I have a brief explanation. This is the same bill that was introduced by my colleague the former member for Sudbury East. It was known under a previous title as Bill 149. I am reintroducing the bill in order to encourage a debate in the House on this question of health and safety and to dramatize, in a quiet but thoughtful way, the fact that the government has not yet seen fit to introduce such legislation.

1500

The bill makes it clear that workers have the right to refuse work that is unsafe; it expands the role of committees in the workplace, which we think have a very substantial role to play; it calls for the establishment of committees in many workplaces that right now do not have such

committees; it looks in particular to new sectors of the economy where committees have not yet been established; and basically, it insists that since it is workers themselves who are being asked to pay the price in terms of their health and safety for the failure of management to clean up the workplace, we think it is important to give workers greater power over their own lives and over their own health and safety.

### SIMCOE DAY ACT

Mr. McLean moved first reading of Bill 72, An Act respecting Simcoe Day.

Motion agreed to.

**Mr. McLean:** The purpose of the bill is to name the third Monday in February Simcoe Day in honour of John Graves Simcoe, who was appointed first Lieutenant Governor of Upper Canada on September 12, 1791, and who convened the first Legislative Assembly and established the capital of the province at York, now Toronto.

### PUBLIC SERVICE SUPERANNUATION AMENDMENT ACT

Mr. McLean moved first reading of Bill 73, An Act to amend the Public Service Superannuation Act.

Motion agreed to.

**Mr. McLean:** The purpose of the bill is to suspend superannuation allowances while the person entitled thereto is receiving a salary, fee or compensation from the province.

### LEGISLATIVE ASSEMBLY RETIREMENT ALLOWANCES AMENDMENT ACT

Mr. McLean moved first reading of Bill 74, An Act to amend the Legislative Assembly Retirement Allowances Act.

Motion agreed to.

**Mr. McLean:** The purpose of the bill is to suspend retirement allowances while a person entitled thereto is receiving compensation for acting as a member of a board, commission or other body, holding office at the nomination of the Lieutenant Governor in Council.

### MUNICIPAL COUNCIL RETIREMENT ALLOWANCES ACT

Mr. Cureatz moved first reading of Bill 75, An Act to establish the Municipal Council Retirement Fund and to provide Retirement Allowances to Municipal Councillors.

Motion agreed to.



**Mr. Cureatz:** The bill establishes a retirement allowance fund to provide pensions to municipal councillors in respect of their service as councillors. Persons who are municipal councillors when or after this act comes into force are removed from the operation of the Ontario Municipal Employees Retirement System Act.

#### POLLS

**Hon. Mr. Conway:** Today I want to indicate that I have laid on the table a very substantial volume of paper which represents public opinion research; namely, a public opinion poll done for the Ministry of Natural Resources having to do with Fire Prevention Week behaviour, etc., and a second poll done for the Ministry of Agriculture and Food concerning the Ontario food processing industry.

#### ANSWERS TO QUESTIONS IN ORDERS AND NOTICES AND RESPONSE TO PETITION

**Hon. Mr. Conway:** Furthermore, I would simply like to note that I will be tabling this afternoon the answer to question 25, the response to petition P-4 and the interim answer to question 26, all of which stand in Orders and Notices [see Hansard for final sitting day of December].

#### MOTION TO SET ASIDE ORDINARY BUSINESS

Mr. Brandt moved, pursuant to standing order 37(a), that the business of the House be set aside so that the House might debate a matter of urgent public importance, that being the need for this House to endorse the proposed Canada-United States trade agreement, an agreement which, while fully protecting the sovereignty and unique culture of Canada and the right of this nation to determine and implement its own social and regional development policies, will provide for more secure access to Ontario's most important export market, thereby creating enhanced opportunities for economic and employment growth and the reduction of regional disparities both within the province and throughout the nation.

**Mr. Speaker:** Just before we continue, I would remind all members that previously the member for Nipissing (Mr. Harris) raised a point. I feel at this particular time the point raised was possibly a hypothetical question, because the matter has not really come before the House. As you are aware, we have now discussed this matter, and the question that the Speaker will put at the end of the first round of discussions is, shall

the debate proceed? I may have to look at it further after that time.

To my knowledge, this motion was received at 11:23 this morning and therefore was in time, according to the standing orders. I will listen to the member for Sarnia (Mr. Brandt) and a representative for each other party for up to five minutes, stating why this debate should proceed.

**Mr. Brandt:** I rise to speak to the motion which I have introduced today calling for an emergency debate to express the belief my party has that we need to endorse the free trade agreement signed by the governments of Canada and the United States. I do not take this step lightly. It is not a procedural move, nor is it a move to score political points. Instead, I want to put this as clearly and succinctly as possible. I believe that we, as elected members whose responsibility it is to speak for the good of our constituents, are not fulfilling that responsibility by not debating this motion at this particular time.

I believe that by taking such a negative and obstructionist view on the free trade agreement as that articulated on many occasions by the Premier (Mr. Peterson), we are in danger of isolating ourselves and our province from the rest of Canada and we are in danger of allowing emotional, illogical and ill-founded statements to prevent us from proceeding with a trade agreement that will be not only to our advantage but to the advantage of our children for generations to come.

Earlier today, in a question to the Premier, I listed some of the groups that support the free trade agreement, groups from all across the country and from literally every walk of life. Those groups and the provinces of British Columbia, Alberta, Saskatchewan, Quebec, Newfoundland and Nova Scotia—six provinces in all—have indicated that they are in support of this agreement, and I believe they have the interests of their citizens and of this country at heart.

#### 1510

They all have legal opinions and opinions from their economists and officials, who are equal in expertise and experience to those employed by the government of Ontario. Yet these provinces are unanimous on two items that relate to the agreement: one, that the free trade agreement will be of benefit to their respective provincial populations and, by benefiting the provinces, will benefit the country; two, and this is the point I feel we have to address as a Legislature, that the one province that will gain the most is Ontario.



Let me repeat that: The province that will gain the most is our own province here in Ontario.

My purpose in moving this motion is very clear. I believe we need a debate to clear the air. We need a debate to cut through the rhetoric and to get to the facts as they relate to this agreement. There are a great number of groups in the majority of governments that I have indicated earlier who all believe that they will benefit from a free trade agreement. I believe it is incumbent upon this Legislature to look at the facts they bring forward and the views they have expressed and to reconsider our perspective on this issue.

The Premier will say that the legislative committee struck to tour the province on this agreement has that type of mandate. I have to tell you, Mr. Speaker, and the members of the Legislature that that committee does not have that sort of mandate.

We all know the Liberal members on the committee will do their duty and routinely vote against the free trade agreement in spite of any arguments that are brought forward to the contrary. We all know that and we have experienced the way that committee operates, which is why we need this debate now, so that members, for perhaps the last time in this Legislature, can stand up freely and give their views, their opinions and their beliefs in regard to the free trade initiative.

If the Premier allowed them, I wonder how many of his caucus would consider the weight of public opinion on the other side of this issue and say to themselves, "Maybe, just maybe, those other folks are right and we might be wrong," which I know they are. I wonder if the Premier would even dare to take that chance. That is what this motion allows, a full and thorough debate on an issue that is of importance to the wellbeing of every citizen of Ontario and every citizen of Canada.

**Mr. Laughren:** Before I launch into the substantial aspects of the question before us, I want to question the interpretation of 37(a) of the standing orders in which one matter can be set aside and an emergency debate can replace a substantive motion dealing with the very same subject matter as the emergency debate. I find that very strange. Of course, I am not challenging your ruling, Mr. Speaker.

I find it more than passing strange, however, that the Conservative Party has moved this emergency debate, given the fact that there was a very substantive motion before the House this afternoon dealing with this very same issue. As a matter of fact, we can move amendments and the

Conservatives can move amendments on the substantive motion put by the government, and it is our intention to move a substantive amendment to the motion put by the government House leader. I find it distressing that the third party would move this emergency debate, considering that the substantive motion was already before the House and the third party's motion will not allow us to vote on it. It is an emergency debate that has no resolution at the end of the day.

The government's substantive motion, with the opportunity to make amendments, also allows the opportunity for a vote. I do not understand why the Conservative Party wishes to avoid a vote on this very substantive matter. It puzzles me that they would want to avoid that. I would have thought they would want to stand in their places and say, "We are proud of our position on this matter and we shall vote against it." I do not understand why the Conservative Party has decided it does not wish to confront this matter with a vote. It is totally beyond me why they wish to avoid a vote.

I can say that we intend to amend the motion put by the government because we do not think it does enough, and that is the main reason we are opposing the Conservative Party emergency debate. We know it is not possible to amend the Conservative emergency-debate motion and we know we can amend the government motion.

As a matter of fact, when I look at the Conservative motion, which says, "a matter of urgent public importance, that being the need for this House to endorse the proposed Canada-US trade agreement," I cannot imagine myself engaging in an emergency debate to endorse the free trade agreement worked out by Simon Reisman and his friends with Ronald Reagan and his friends.

It is without any hesitation whatsoever that this party will be opposing the emergency debate put by the Conservative leader.

**Hon. Mr. Conway:** It is always a pleasure to participate in a debate that is initiated by my friend the leader of the Conservative Party and spoken to by the member for Nickel Belt (Mr. Laughren).

I just want to say that, having listened to the two previous speakers, on this occasion I am rather more persuaded by the member for Nickel Belt than by my colleague the member for Sarnia. I just want to indicate, in a quiet and dispassionate way, why that is so.

First, the Premier indicated earlier in the week—in fact, yesterday—that we would be having the opportunity to debate a resolution on



the free trade question later this week. That was done in consideration of the concern that I think is felt on all sides about the very significant discussions that have taken place between the government of Canada and the government of the United States.

It is somewhat peculiar, really, to see this emergency-debate request from the third party today, having heard yesterday from the Premier that an opportunity would be provided this week to debate the question. I think the member for Nickel Belt is quite right when he asks us to reflect upon what it is this request seeks to do.

The member for Sarnia, the leader of the Conservative Party, has moved to set aside the ordinary business of the House today, which is to discuss a resolution, a very significant and substantive resolution put by the Minister of Industry, Trade and Technology (Mr. Kwinter) to talk about the free trade agreement, so that we can do what? So that we can talk about the free trade agreement.

I think the member for Nickel Belt is quite right in drawing our attention to the peculiarity of that position being advanced by the Conservative Party. I think the Treasury critic for the official opposition is right as well in pointing out that the debate that the government wishes on the motion standing in the name of the Minister of Industry, Trade and Technology is better because it allows for a number of things. It allows for the kind of amendment that the member referred to, it allows for a resolution and, quite frankly, it allows the leader of the third party to set out his case for a period longer than 10 minutes.

I have been around this assembly for six years. I have heard the member for Sarnia orate on a number of occasions, and my experience is that the leader of the Conservative Party, generally speaking, needs more than 10 minutes to build to the great strength of his case. Under his own proposal, we would be denied the opportunity to hear the leader of the Conservative Party make his case for any more than 10 minutes. I do not think that would be fair to the leader of the Conservative Party.

I just want to say in conclusion that the government views the debate about the trade question as a very important debate. We want to hear from members. I want to hear from at least the leader of the Conservative Party for longer than 10 minutes.

1520

**Mr. Brandt:** You have that promise.

**Mr. B. Rae:** Now you're asking for it.

**Hon. Mr. Conway:** I am not necessarily saying to the Leader of the Opposition that I want the contribution of the leader of the Conservative Party to go greatly beyond 10 minutes, but like the member for Nickel Belt, I want this debate to come to a conclusion, a resolution. If the members opposite wish to amend the resolution, I will be interested to see that as well.

It is for those reasons that the government does not favour the motion standing in the name of the leader of the Conservative Party, though we are very anxious to get on with the debate on the substantive motion standing in the name of the Minister of Industry, Trade and Technology, during which time we will have the opportunity to hear the leader and the membership of the third party set out their views and state their case.

**Mr. Speaker:** We have now covered standing orders 37(a), 37(b) and 37(c). We come to standing order 37(d). Pursuant to this standing order, I can only put the question, shall the debate proceed?

1627

The House divided on whether the debate should proceed, which was negatived on the following vote:

#### Ayes

Brandt, Cousens, Cureatz, Eves, Harris, Jackson, Johnson, J. M., Marland, McCague, McLean, Pollock, Pope, Runciman, Sterling, Villeneuve.

#### Nays

Adams, Allen, Ballinger, Beer, Black, Brown, Bryden, Callahan, Campbell, Caplan, Carrothers, Charlton, Chiarelli, Cleary, Collins, Conway, Cooke, D. R., Cooke, D. S., Cordiano, Curling, Daigeler, Dietsch, Eakins, Elliot, Elston, Epp, Faubert, Fawcett, Ferraro, Fleet, Fontaine, Fulton, Furlong, Grandmaître, Grier, Haggerty, Hampton, Hart, Kanter, Kerrio, Keyes, Kozyra, Kwinter, Laughren, LeBourdais, Lipsett, Lupusella;

Mackenzie, Mahoney, Mancini, Martel, Matrundola, McClelland, McGuigan, McGuinty, McLeod, Miclash, Miller, Morin, Morin-Strom, Munro, Neumann, Nicholas, Nixon, J. B., Nixon, R. F., Offer, O'Neill, Y., Owen, Patten, Pelissero, Philip, E., Phillips, G., Poirier, Polsinelli, Poole, Pouliot, Rae, B., Ramsay, Ray, M. C., Reycraft, Riddell, Roberts, Ruprecht, Smith, D. W., Smith, E. J., Sola, Sullivan, Swart, Sweeney, Tatham, Velshi, Ward, Wildman, Wilson, Wrye.



Ayes 15; nays 95.

## STANDING ORDERS

**Mr. Harris:** Mr. Speaker, on a point of order: Earlier today, to give as much notice as I could, I had asked you to consider the question. I realize I am not asking you to make a ruling, because the ruling would not come until after the motion that we are debating is presumably passed. I understand that is the intent of the government, and I have no delusions as to the numbers game around here; sooner or later, some time or other, in some year or other, this will pass.

I guess what I am asking for your consideration, Mr. Speaker, is whether in fact we should be planning a committee to be touring this province and going ahead with that scheduling and meetings and expense and what not in view of the fact that it will be asked to deal with substantially the same issue. According to Beauchesne, that may not be done by a legislature in the same sitting.

I wondered whether you have given some thought to that, Mr. Speaker, and can give this Legislature some direction as to what occurs if this should pass.

**Mr. Speaker:** The honourable member gave notice on the same point earlier today. I have had a little time to start considering the matter that the honourable member has brought before the House. At the present time, I have not made up my mind and I will certainly consider it at the appropriate time.

## ORDERS OF THE DAY

### TRADE WITH UNITED STATES

Hon. Mr. Kwinter moved resolution 8:

That in the opinion of the Legislative Assembly of the province of Ontario the proposed trade agreement between Canada and the United States fails to address Canada's needs and goals, while making significant concessions which could prove costly to Canadians. Specifically:

The proposed agreement fails to secure access to the US market for Canadian goods and services and provides no assurance of fairer treatment for Canadian exporters. It provides Canadians with virtually no relief from the US trade laws and regulations that are being used to harass them.

Under the proposed agreement, Canadian exporters could still be penalized in the United States as a result of Canadian policies and programs to promote industrial development, reduce regional disparities and manage our natural resources.

This agreement would relinquish our ability to pursue an independent energy policy in order to ensure security of supply or enhance regional development.

This agreement would significantly reduce our ability to ensure that Canadians benefit from US investment and proposed takeovers of Canadian-owned firms.

This agreement would undercut safeguards which have ensured the existence of a dynamic Canadian auto industry and reduce Canada's ability to attract offshore auto industry investment.

This agreement would eliminate tariffs simultaneously in both countries, despite the fact that Canadian tariffs start at a higher level.

This agreement would threaten the existence of significant sectors of the agriculture and food processing industries.

This agreement would require the federal government to take "all necessary measures" to implement its provisions, including infringement on the provincial capacity to respond to the needs of Ontario citizens.

Under this agreement Canada would give up far more than it gained.

For these reasons, the Legislative Assembly of the province of Ontario opposes this agreement as detrimental to Canada's sovereignty and economic interests, and will not be bound to implement those aspects which fall under provincial jurisdiction. We urge the Parliament of Canada to reject the agreement.

**Hon. Mr. Kwinter:** As the Premier (Mr. Peterson) indicated in a statement yesterday, I am introducing a resolution to the Legislature today which states this government's opposition to the proposed free trade agreement between Canada and the United States.

We find that this agreement falls far short of the objectives set out by Prime Minister Mulroney at the beginning of the free trade negotiations more than two years ago. We have determined after careful study that on balance this deal is not good for Canada. We must therefore send a clear message to the federal government that the government of Ontario remains firm in its conviction that this agreement is not in the interests of Canadians.

With these concerns in mind, I am introducing the following resolution for consideration by the members of this Legislature:

"That in the opinion of the Legislative Assembly of the province of Ontario the proposed trade agreement between Canada and the United States fails to address Canada's needs and



goals, while making significant concessions that could prove costly to Canadians. Specifically:

"The proposed agreement fails to secure access to the US market for Canadian goods and services, and provides no assurance of fairer treatment for Canadian exporters. It provides Canadians with virtually no relief from the US trade laws and regulations that are being used to harass them.

"Under the proposed agreement, Canadian exporters could still be penalized in the United States as a result of Canadian policies and programs to promote industrial development, reduce regional disparities and manage our natural resources.

"This agreement would relinquish our ability to pursue an independent energy policy in order to ensure security of supply or enhance regional development.

"This agreement would significantly reduce our ability to ensure that Canadians benefit from US investment and proposed takeovers of Canadian-owned firms.

"This agreement would undercut safeguards which have ensured the existence of a dynamic Canadian auto industry, and reduce Canada's ability to attract offshore auto industry investment.

"This agreement would eliminate tariffs simultaneously in both countries, despite the fact that Canadian tariffs start at a higher level.

"This agreement would threaten the existence of significant sectors of the agricultural and food processing industries.

"This agreement would require the federal government to take 'all necessary measures' to implement its provisions, including infringement on the provincial capacity to respond to the needs of Ontario citizens.

"Under this agreement Canada would give up far more than it gained.

"For these reasons, the Legislative Assembly of the province of Ontario opposes this agreement as detrimental to Canada's sovereignty and economic interests, and will not be bound to implement those aspects that fall under provincial jurisdiction. We urge the Parliament of Canada to reject the agreement."

This is the resolution I have moved. It is a matter of historic importance and I urge members of this House to engage in a debate on not only the immediate political concerns of the day but also the consequences of this deal on Canada's future.

The implementation of the free trade agreement will significantly infringe upon provincial

sovereignty and especially the province's ability to respond to changing social and economic needs.

**The Deputy Speaker:** Do other members wish to participate?

**Mr. B. Rae:** I do rise to participate. I do not want to get hung up on procedural matters, but I do want to say that I think it is regrettable it was not possible for there to be enough communication among the three parties that we would not have had the considerable expenditure of time we have seen on people waiting for votes, the ringing of bells and so on over procedural differences of opinion.

It seems to me it should have been possible for the House to have referred this matter to a committee on the basis of a consensual resolution and have the matter dealt with in committee, or whatever procedure one wants to follow. I can tell the government House leader that we had no particular warning it was their intention to move a substantive motion on this day. Obviously, because of the position we have taken with respect to the question of free trade, we have less difficulty making up our minds in terms of our feeling on the issue than do members of the third party, but without agreeing with the position that has been taken by the third party at all, I can say that on a purely procedural basis, I do have some sympathy for the sense of frustration which they obviously feel at the present time.

1640

**Hon. Mr. Conway:** Mr. Speaker, on a point of privilege: To make it clear, while I appreciate the views of the Leader of the Opposition, I indicated at a House leaders' meeting last Thursday my intention this week to proceed, to set aside a day's time to discuss the trade question with a motion or a resolution. I regretted at the time that we did not have, as we expected to have at that time, the final text, and I well recall a discussion about doing it perhaps on Monday. It was pointed out to me quite correctly by the House leader for the official opposition that because the Leader of the Opposition was to be Washington on Monday, that day ought not to be considered, and in respect of the travel plans of the Leader of the Opposition, Monday was set aside to accommodate his being available for this debate. For the record I make that comment.

**Mr. B. Rae:** If we are going to get into this, as I say—I suppose, since I raised it, we are going to get into it—our understanding, as a result of the government House leader's conversation, and certainly my understanding as a result of talking



with our House leader, was not that there was going to be a substantive motion on this day but that we were going to be discussing a referral to the committee.

Those were the terms upon which I had my discussions with him last week as to whether or not we would have a motion and on which day it would take place. I appreciate the fact that he decided to schedule it on Tuesday rather than Monday, at my request. I made that request because it was my understanding that we were going to have a very short debate with respect to a referral and that the three leaders would be participating in a debate.

I scheduled myself on Tuesday on the understanding that the Premier would be here for the discussion. I now find on this occasion, as on the occasion of Meech Lake and as on the occasion of the reply to the speech from the throne, the Premier is not here. I can understand, having been mauled in one television debate, why the Premier would want to avoid having any contact with the other leaders in a debate or combat of any kind. He may well not want to participate. It may well be that Gabor Apor has told him to avoid all possible meetings of minds. That may well be the case.

**Hon. Mr. Elston:** Oh, that's right. Mr. Speaker, we forgot, he won the election. That's why he's not here. We forgot that. Thanks for reminding us that you won. It was a victory for the NDP.

**Mr. B. Rae:** The Chairman of Management Board is speaking from his seat because that is the only place he is allowed to speak from these days. All I am saying is, the Chairman of Management Board can deny—he is here all the time because he has nothing better to do. The Premier is not here, and I just want to make the observation that the Premier, once again on a debate which has now become a debate of substance, has chosen not to be here.

I believe it is one thing for the Premier to say how important this debate is and this question is, and how vital it is, then it is another thing for him to be away whenever there are major issues being discussed with respect to this question.

**Hon. Mr. Elston:** Let's listen to the winner of the election speak on this topic.

**Mr. B. Rae:** I am happy to hear the comments coming from the member for Bruce (Mr. Elston), who has spoken on this occasion from his seat. He is certainly entitled to speak from his seat, if that is where he chooses to speak from, but I do want to say, with respect to this particular motion, that it is not, in our judgement,

sufficiently strong and sufficiently clear with respect to precisely what actions and positions the government of Ontario is going to take.

**Mr. Harris:** On a point of order, Mr. Speaker: Before the leader of the official opposition gets into his speech, which I am looking forward to with great anticipation, could I confirm the understanding that everybody at the House leaders' meeting had, with the possible exception of the House leader himself. I also referred to the minutes of the House leaders' meeting, which have been circulated, and to the best of my knowledge nobody has said no, that is incorrect.

The minutes of last Thursday's meeting talk about next week. They say, "Motion to refer free trade agreement to the finance committee." That is what we discussed as House leaders, that is what is on the minutes, saying we were going to deal with this week. Certainly I think it is clear, and the House should be clear, that when the Leader of the Opposition says there was no notice, he is quite correct. In fact, we are doing something very substantially different today than our understanding was of what would be taking place.

**Hon. Mr. Conway:** I just repeat a final time, that is not my memory and that is not my view.

**The Deputy Speaker:** The member for Nipissing.

**Mr. Harris:** The minutes are—no, I am finished.

**The Deputy Speaker:** Does anybody else want to participate in the debate?

**Mr. B. Rae:** As far as I was concerned, I had not finished yet. I was just getting warmed up.

I want to say that this motion is not sufficiently strong, and in saying that, I want to go over some ground with the members, particularly those members who have not been here for the last number of years, so that people will understand that there is a real background to this debate, a background to the position that has been taken by the Liberal Party and the Liberal government.

I want to emphasize that I still believe, as I have believed from the beginning and as was confirmed in my discussions with Congressman LaFalce yesterday, that the Liberal government has a double agenda. The double agenda is one of rhetorical opposition to the actions that have been taken by the federal government, a rhetorical opposition to the free trade agreement and, at the same time, a nudge and a wink to the business community and, indeed, to the American Congress, saying: "Don't worry. We are not really that opposed to the agreement and we are not



going to do anything to defeat the agreement. What we are going to do is indicate a rhetorical opposition because we think that is something that is politically shrewd and smart to do, at the same time as a systematic refusal to engage directly the federal government, to engage directly the American Congress, to engage directly and use the power that the government of Ontario has in order to block this agreement."

I want to start by saying that as a result of many things, but in particular confirmed by a very quick visit to Washington yesterday, there is no question that the momentum for an agreement is very strong. That momentum is strong in the American Congress, and it is powerfully expressed. It is obviously strong within the Progressive Conservative Party at the national level, and as we have warned the government for a long time, it is a momentum that was put in place in November 1985. Once that momentum starts, it is terribly difficult to stop it.

Our argument from the very beginning, going back to November 1985, was simply that Ontario should be using all its power to stop the discussions, to stop the negotiations, for one simple reason. We knew that if the negotiations were allowed to develop a continuing momentum, there would only be and could only be one result. That result would be an agreement which would end up being signed by both governments, by the President of the United States and by the Prime Minister of Canada, and which would ultimately in and of itself develop a momentum that would be virtually terribly difficult to stop.

I suggest that what we have seen now is the result of the action or the inaction of the Liberal government. I personally feel the Premier bears a considerable personal responsibility for the situation that we are in today. I am sorry he is not here. He apparently does not think it is sufficiently interesting for him to be here to listen to the debates and comments that are made by other party leaders.

I do want to say to you, Mr. Speaker, and to the Premier directly that I can show him when, time after time, he has used exactly the same language he used today to describe our position, saying that it is ideological, saying that it is theological, saying that we are not being practical and that he is the only one who is being practical. I can show you, time and time again in debate after debate, in question after question from November 1985 to 1986 to 1987, when the Premier took the same position: "Don't worry, you're in good hands. I have been assured that the auto pact is not on the table." Those were his

words. "Don't worry, I have a veto. It is inconceivable that the federal government would move ahead without having the consent of Ontario."

#### 1650

In quotation after quotation, time after time, from November 1985 right through until now, 1987, as we head into 1988, the same position has been taken by the Premier. I think the record will show that the Premier has been dead wrong. He has just been wrong.

He has systematically underestimated the strength of the federal momentum. He has systematically underestimated the strength of the momentum in the American Congress. He has systematically underestimated the extent to which Mr. Mulroney and Mr. Reagan are responding to a common vision and a common sense of what they call a new economic constitution for North America. He has systematically underestimated the ability and capacity of the government of Ontario to stop the deal, because he did not want to force a confrontation.

He says all the way through: "I don't want to do anything until I have seen the deal, because it might be a good deal. The Americans might give us everything we want and we might not have to give up anything in return." He says that is being practical. I am being ideological, according to the Premier, because I have said from the beginning there is no way he is going to get an agreement that is acceptable to the American Congress in which we do not end up giving too much.

It is not a question of being ideological; it is a question of being strategic, frankly. It is question of looking at the balance of power, looking effectively at what our balance of payments has been over the last five years, looking at what our comparative advantages and disadvantages are in our trade with the United States, recognizing what the mood of the American Congress has been and is and then seeing that the only way the American Congress would agree to a deal that would put it on the fast track would be if we gave the Americans a deal in which we gave them virtually everything they wanted.

If I were up in Ottawa attacking the federal government, there would be a clear target. I must confess that in Ontario the target has not been so clear. Obviously, if one looks at the election results and the success the Liberal Party has had in convincing the people of Ontario that it is in fact going to do what is necessary in order to stop this deal, there is no point in expressing one's sense of irony at what has taken place. As the



Liberals say, they are over there and we are over here. We all understand the mathematics and the arithmetic of this business. We know what happened. We know what the particular chemistry and swing of public opinion has been and, frankly, one can only respect that.

But there is another thing. It is called a certain amount of—I do not know—some kind of intellectual integrity or something. Look at the record and the number of times the Premier has said, “The government of Ontario has a veto,” and look at the number of times the Premier has said, “Don’t worry, we’re going to take care of Ontario’s interests”—November 1985. “You can sleep tonight. I’m taking care of Ontario’s interests. Don’t worry, Ontario will not get steamrollered”—those were his words. “Don’t worry, Ontario will never be steamrollered. We’re going to make sure that Ontario’s voice is heard.”

Those remarks and those words have been heard time and time again in this House. Whether we were asking about cultural industries, softwood lumber, the auto pact, whatever we were asking about the response always came back, “Don’t be ideological.”

He would say: “The leader of third party”—which I then was—“all you want to do is take your baseball bat and go home. All you want me to do is to stand up and walk out. But imagine how much more influence I’m going to have because I’m going to stay at the bargaining table. Your approach is too ideological, too theological. No, look at me. I’m being practical. I’m going to be right there at the bargaining table the whole time and I’m going to make sure that Ontario’s interests are protected.

“I have been assured by Prime Minister Mulroney that the auto pact isn’t on the table. Don’t worry, it’s all under control. We have Mr. Latimer there. He’s our trade official. We have people there. We’re developing the expertise. Don’t worry, we’re doing the studies which show precisely what kind of a deal will be in Ontario’s best interest. But don’t ask me to take a strong position saying there should be no agreement, because,”—to go back over that argument one more time, “if we get a good deal, one that gives Ontario and Canada everything they want and one in which we don’t have to give up anything, then of course I’d be in favour of it.”

I have to use parliamentary words, but one has to be faithful to certain principles of intellectual integrity. I am not talking about ideology, I am just talking about trying to think the thing through. I want to say I do not think the Premier

has been practical; I think the Premier has been weak. I do not think the government of Ontario has been smart in defending Ontario’s interests; I think the government of Ontario has failed completely to protect Ontario’s interests.

All the way through the piece, the Premier of this province said that what has happened could not happen. All the way through the piece for the last two and a half years, the Premier of this province has been saying that the kind of agreement which emerged could not emerge. All the way through the piece, the Premier of the province has been saying: “Don’t worry, you’re in good hands. The people of the province are in hands which will act only in the best interests of the people of Ontario.”

Finally we come to the election campaign, in which the Premier said if the agreement did not satisfy certain very specific conditions, then, as he said on that occasion, “There will be no deal,” to quote the words that he used. He did not say it once; he did not say it twice; he said it 50 or 100 or 150 times during that election campaign. I cannot add up the number of radio stations or the number of television stations that broadcast that ad: “There can be no deal.”

Then what happened? The Liberals get their huge majority, the deal comes out, and what is the first headline in the *Toronto Star*? “Ontario Can Do Very Little to Stop Deal, Peterson Says.” He says: “I am not at all persuaded that this deal is in the interests.... We are giving up too much.” Then he goes on to say that there really is not very much he can do.

He says time and again: “The vast majority of the deal is in the federal jurisdiction. There is only a very small area which falls within the jurisdiction of the provinces. It is essentially a federal deal. It is within the federal power to enact the deal.”

That has been the position he has enunciated. That was the position of the government of Ontario. Now today what do we have? We have the Attorney General (Mr. Scott) speaking at an audience of lawyers, just a few yards from this place, saying that he disagrees fundamentally and completely with those people who say that 97 per cent of the deal is within federal jurisdiction.

He states categorically, in what I would describe as a very good description of what the problems are, from a constitutional point of view, with the approach the federal government has taken—and I will come to it in a moment—he takes the view that it is such an infringement of the right, not of one level of government or another but of governments in general to act on



behalf of their citizens that it is fundamentally constitutionally flawed. It is as flawed fundamentally as any unilateral patriation of the Constitution was when it took place in 1980-81.

To the Attorney General it is that fundamental, and he states categorically in his speech that it is not a matter of one or two technical problems falling within or without provincial jurisdiction, it is a matter of the foundation of the agreement itself. Because what is the foundation of this agreement? It should come as no surprise to us. I was not surprised by the agreement; I do not think anybody should be surprised by the agreement.

**1700**

The agreement was the culmination of the process in which two governments, happening to share a very particular philosophy and way of looking at the economy, and business interests which have a direct interest in eliminating and emasculating the role of government, business interests which historically have always seen a very limited and restricted role for the public sector for governments, and for other community groups as well in terms of helping to intervene in the economy, got together and built the momentum for a plan.

The plan is what Ronald Reagan has described as the economic constitution of North America. Congressman LaFalce, in his remarks to the Congress yesterday, to the congressional symposium on the Canadian-American free trade agreement, describes it this way:

"In this the bicentennial year of our Constitution, Americans look back and wonder at the feat of imagination that designed our democratic institutions, so responsive and so flexible, yet enduring. Yet perhaps as great an intellectual break with the past as the Constitution, as great a leap of progress, was the rejection of the mercantilist philosophies that had been tearing our young nation apart in the establishment of free trade among our newly united states. Today, we may be closer to making another great leap of progress by creating free trade again, this time between our country and Canada."

I think the message is very clear from the United States. I think what they are talking about here is the expansion of a free trade zone from the 50 states to include Canada. What they are saying and what the exponents of free trade are basically saying is that the private sector and the expansion of the private sector is good and healthy and that markets should be expanded as broadly as possible because that is good and healthy. It is almost the expression of the classic sort of Adam Smith philosophy that governments should not

get in the way; that governments should not interpose themselves between this magic of the marketplace; that if governments get involved, things become inefficient and we have the various inefficiencies that grow up, according to the theory, and that everyone is just better off if governments are reduced and emasculated in their role and if businesses are allowed and able to do what they want.

Yesterday we had Mr. d'Aquino from the Business Council on National Issues saying what a wonderful thing it was and how substantial business opinion in Canada was in favour of the free trade agreement. Why should any of us be surprised by that? If the largest and most successful businesses in Canada now say, "We want to create a constitutional framework which will, for all time, reduce, emasculate and limit the role of government," why would they not take that opportunity with both hands and seize it and run with it?

It is not a question of being anti-American. It is a question of being opposed to a Constitution which will for ever limit and emasculate the role of government, and not just the role of one government but the role of governments in general.

If I were an American citizen, I would be profoundly concerned about the way in which an agreement of this kind prevents American states from doing some things which may be necessary and which they may want to do on behalf of their state. It may well be that some American state would object to the establishment of more Extendicare private nursing homes in that state. I am not going to object to that. I am not going to object to a state in the United States taking that kind of a position on behalf of its citizens if that is what it decides to do.

What is at stake here, as I say, is not so much Canada's relationship simply with the United States. It is Canadians' relationship to their governments and to their public institutions. It is about people limiting their own right, their own capacity—that is what sovereignty is—their own sovereignty, their ability, their power, individually and collectively, to control their future.

I believe profoundly in a mixed economy. I believe profoundly that the market must always respond to the broader public interest. I believe profoundly that we must not see the law of contract and the creation of markets as the be-all and end-all. We have to create a society in which markets are made to work for people, and if they cannot be made to work for people, then we have



to find other popular democratic institutions and ways of doing things.

I do not believe that when businesses get together and are able to exercise their power over people we should prevent those people from turning to trade unions, to co-operatives, to political parties or to governments as their way of balancing that extraordinary private power.

So when people say, "Your opposition to free trade is ideological"—which is the remark, the only enduring theme I think I can attribute to the Premier of this province in the last two and a half years—I want to say this to the Premier: I am not ashamed of having a philosophy. I am proud of it, and I am very proud of the fact that that philosophy is one that says to me, let us not shackle people, let us not prevent people, let us not hold people down and prevent them from responding to abuses of economic and private power.

Yet that is what this free trade agreement does. That is what it is intended to do. That is the philosophy upon which it is based. At least I must say that we on our side of the House have the courage to make our philosophy known. The Premier says he does not have a philosophy; he is practical. I do not think he has been practical. I think the response of the provincial government to this issue has been pathetic.

Here we have a Premier who has told the province, and certainly told me on a number of occasions, "Being the Premier of the province is the second most powerful position in Canada," and having said that, he is not prepared to use that power; he is not prepared to block the deal.

It is very clear he is not prepared to block the deal. First of all, he had to wait for the Prime Minister to tell Congress to tell the President. Then he had to wait for the President to tell the Congress. Then he had to wait for the Congress to decide whether or not there would be a fast track. Then he had to wait for the discussions, for the negotiations to continue. Then he had to wait for the negotiations to proceed a little bit further.

Then he had to wait for the next first ministers' conference, at which all these things would become clear. Then he had to wait for the assurances from Mr. Mulroney that there would be no deal. Then he had to wait for the actual announcement of the deal. Then he had to wait for the publication of the actual document, the official text. Then he had to wait for the elaboration, the next stage of the official text.

Now he is telling us, today he has just announced that it is not a question of waiting for the Prime Minister to tell the President, or for the

President to tell Congress, or for Congress to get going on the fast track, or for the negotiations to proceed, or for the umpteenth first ministers' conference, or for the agreement to be announced, or for the agreement to be texted, or for the final agreement finally to be published. Now he says, "I have got to wait for the federal government to produce its legislation and to put that legislation into effect."

**Mr. D. R. Cooke:** How would you have stopped this agreement?

**Mr. B. Rae:** The member for Kitchener (Mr. D. R. Cooke), who has been an advocate of the tactic which the Premier has followed and who was chairman of the committee in which Liberals and Conservatives agreed that these negotiations should continue and that there should be no interference with these negotiations, says, "What would you have done?"

I can tell the member precisely what I would have done. As Premier of this province, I would have said to the Prime Minister of Canada from the very beginning, "You have no mandate to proceed; you have no authority to proceed," and I would have used every ounce of my power of persuasion, of the sovereignty of this province to do everything in my power to stop those negotiations, to force a change in the tactics and strategy of the federal government and to make sure that an agreement of this kind was not even contemplated, let alone signed.

**Mr. D. R. Cooke:** But he has the authority.  
1710

**Mr. B. Rae:** The member for Kitchener says the Prime Minister has the authority to do this. The Premier of this province also has a lot of authority. There are countless areas where the province and the federal government work together on a daily basis. Do members think it would have been impossible two years ago for the Premier to have said, "All those discussions are off; all those negotiations are off"?

The Liberal Party cannot have it both ways. They cannot say, as the Attorney General said, that this agreement is an attack on the fundamental principle of the sovereignty of the people. That is what he was saying. What the Attorney General was saying at the bar association was: "This is not about governments. This is not simply about economics. This is about the rights of people to make rules to protect themselves." He was right when he said that, but they cannot say that and then have absolutely no response over two and a half years. Nothing; nothing to show what Ontario's real position is.



There is a reason for that. It is because the Liberal Party has a double agenda. That double agenda is very clear. The double agenda is that there is a large section, the business community, which supports this agreement and the Premier of this province does not want to get too far out of line with that opinion and that way of looking at the world. He wants to be all things to all people.

It is not a phenomenon unknown in this business. It is not a phenomenon unique to the Premier or unique to the Liberal Party; it is a very human failing with respect to politics. It is a frequent accusation that is made about the political process.

Frankly, I do not care if the polls show that the approval rating for the Premier is at 99.9 per cent. I still have to say that on this issue the Premier of this province has failed the fundamental test of leadership. He has failed to do those things he said he would do. He has failed to protect the interests of this province. Even now, today, when he says the agreement is unacceptable, he has not got one positive step to take by which Ontario will exercise whatever power it can to block the deal. Even at this date, he is not prepared to do that. This is the phoniest position I can possibly imagine and it is important for us to expose it.

It is with almost philosophical resignation, in a sense, that one says these things because the realities of politics are that there are 95 over there and a somewhat smaller number on this side.

**Mr. Villeneuve:** Ninety-four.

**Mr. B. Rae:** Ninety-four; no, it is 95 until December 31.

It is important for us to come back to this point and to say it again. We are where we are at because the Liberal Party decided it was not really going to oppose this. They decided they were going to play push-me, pull-me for two and a half years; they decided they were rhetorically concerned but were not prepared to do anything about it.

We are moving an amendment to the motion for a very simple reason. The first reason is that I want to point out a certain ambivalence in the motion itself. Without getting into the preamble, I just want to get to the final paragraph:

"For these reasons, the Legislative Assembly of the province of Ontario opposes this agreement as detrimental to Canada's sovereignty and economic interests"—with which we are in agreement—"and will not be bound to implement those aspects which fall under provincial jurisdiction. We urge the Parliament of Canada to reject the agreement."

First of all, I want to point out how weaselly the words "will not be bound" are. One of my first tasks as a lawyer was to help draft a little article called, *Weasel Words and Sucker Clauses*. It was advice to trade union negotiators on what to watch for when management comes down with some contract clauses. One of the first things I wrote was a little leaflet. I will send it to the leader of the third party because he would enjoy it.

*Weasel Words and Sucker Clauses:* I cannot imagine a more classic example of weasel words and a sucker clause than this one. What does it say? It says we "will not be bound to implement those aspects." It does not say "will not implement." It does not say that. It says "will not be bound to implement those aspects which fall under provincial jurisdiction."

What is interesting about this is that it is there for a reason. Those words are not there by accident. Those words are there for a reason. Those words are there because the government of Ontario, even at this date, does not have the courage to say, "We will not implement it." What it is saying is, "We will not be bound to implement it."

I have three small kids. Sometimes we have arguments about what time to go to bed. What is interesting is that sometimes one of them will say: "I am going to bed at nine o'clock, but not because you are telling me to go to bed at nine o'clock. I am going to bed at nine o'clock because I want to go to bed at nine, not because you are telling me."

What the Premier of the province is telling us, what this resolution says is, "The government of Ontario can say, 'Oh, we're going to implement parts of the agreement, not because we are bound to but because we want to.'" Is that not what they are really saying? Is that not why they chose these words? Is it not because the Liberal Party wants to maintain the freedom to be able to say: "We are implementing this part of the agreement on services or on energy or on anything else, but it has nothing to do with the free trade agreement. No, no; we are doing this just because we want to do it."

I was talking yesterday to people about the services question. One of the speakers said to me: "What kind of credibility does Ontario have on services? Which government was it that fell all over itself in order to invite the Americans to take over Bay Street? Which was the government that was the very first in Canada to do whatever it could to say: 'Fine, open up. Get the securities in



there, get it in there,' falling all over themselves as fast as they can?"

**Mr. J. B. Nixon:** You have your facts wrong again. You're wrong again.

**Mr. B. Rae:** The member for York Mills (Mr. J. B. Nixon) is heckling, and I can understand why he is heckling. He was one of the people who helped to draft that legislation. He helped to draft those regulations.

**Mr. J. B. Nixon:** No, because you're wrong again.

**Mr. B. Rae:** If the member for York Mills is denying for a moment that the province of Ontario unilaterally, without getting anything in return from the Americans, opened up its market to the Americans in the financial services field, then he was not here when it happened.

**Mr. J. B. Nixon:** I was here, but you weren't.

**Mr. B. Rae:** I certainly was.

**Mr. J. B. Nixon:** Then you did not read it.

**Mr. B. Rae:** I certainly did.

**Mr. J. B. Nixon:** You read it wrong, then.

**Mr. B. Rae:** All I can say is that I have had several arguments with the Premier on this question, and he says: "We did not do that because of free trade or for any other reason. We did that because we wanted to; we did that because we thought that was in our best interest. We did not do that because we wanted the Americans to take over Bay Street, even though that is one of the implications of what has gone on; we did that simply because we wanted to open up our securities field to competition from outside Canada."

I am telling members that what we are going to get from this government is precisely the same action with respect to services. We are going to get from this government precisely the same moves. We are going to get a determination by this government not to fight the deal but to express its opposition, not to try to stop the deal but simply to try to express its concern rhetorically.

That is why I am moving some amendments. In moving these amendments, I want to make it clear that what we are doing in our amendment to the resolution is trying, first of all, to express what we think is the will of the House; and second of all, to express what the Premier has said on other occasions.

The government of Ontario has said on a number of occasions that it is fighting mad over the free trade deal. On May 27, 1986, the Premier was speaking to the Ontario Chamber of

Commerce at the Ramada Hotel in Scarborough. He said that his government would "fight very, very hard if an attempt is made to put the auto pact on the bargaining table."

**Mr. Pope:** Some fight.

**Mr. B. Rae:** That is what he said.

Then he said on another occasion, "There is no question that Ontario has a veto to reject the free trade agreement." He has stated this on a number of occasions.

He said, in a comment that I heard him make and saw reported in the press, that Ontario ought to use all the power it had if the agreement was not acceptable to Ontario. Yet, when push comes to shove and when the agreement actually comes out, he does not do it. He is "wimping out," to use the phrase Claire Hoy used in his column on October 13, 1987. That is precisely what has happened and it is because of that fact that we are moving an amendment.

I want to emphasize that this is a reasoned amendment. It does not extend or commit the Liberal Party to doing anything other than what it said it was going to do and what the Premier himself personally said it would do on a number of occasions. Therefore, I am moving, seconded by my colleague the member for Windsor-Riverside (Mr. D. S. Cooke), that the resolution be amended.

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**The Deputy Speaker:** Mr. B. Rae moves, seconded by Mr. D. S. Cooke, that the resolution be amended in the last paragraph by removing all wording after the word "Canada's" and substituting the following:

"sovereignty and economic and cultural independence and, therefore, this Legislature agrees that the termination of this agreement is dependent on the government of Ontario fulfilling its pledge to block it in concert with other opposing provinces.

"Therefore, this Legislature calls on the government of Ontario to take the following immediate steps: a constitutional challenge to the agreement in the Supreme Court because of this agreement's infringement on provincial jurisdiction; a message to the administration and Congress of the United States expressing our opposition to the free trade agreement; an unequivocal commitment not to legislate, regulate or co-operate in any way to implement the agreement in any area of provincial jurisdiction, whether directly or indirectly; a commitment to take such other political and economic measures within Ontario's powers, which would have the effect of blocking this agreement and a message



to the Parliament of Canada urging rejection of this agreement."

**Mr. B. Rae:** I think this amendment is clear and very specific. If there are Liberals who object to it, I can show them each paragraph where the Premier of this province has said this is precisely what he would do. I can show them precise quotations where he said: "This is what Ontario will do. This is what I will. This is what I think needs to be done." All I am saying to the government is, if it is really opposed to this agreement, and if it does not have a double agenda, this is its chance to prove it.

**Mr. Brandt:** I am pleased to have the opportunity to join in this debate and to put forward the position of our party relative to the question that I personally feel, and the members of my party feel, is perhaps the most critical and important issue that may be discussed in this particular assembly for some long time.

I want members to know that upon taking on the responsibilities of my new position, one of the things I indicated was that I wanted to give our party an opportunity to review its policies relative to some of the positions we had put forward during the course of our discussion with the people of this province on September 10. As a result of the overwhelming success that we realized at that particular time, we took a complete and total review of our policies, the first of which was our policy with respect to a free trade agreement. We did that because it was important that we give the caucus of that particular time an opportunity to express its views in a very open and in a very democratic fashion within our caucus and to determine whether the feeling our party had had prior to the important date of September 10 was in fact going to remain consistent.

I am pleased to tell the members of this assembly that if there is any policy within our party which has absolute, total, complete and unquestioned unanimity, it is this policy in which we favour a free trade agreement with the United States. I want to tell members that because I think it is important that they understand exactly how strongly we feel about this issue.

Over the course of the next few days, we are going to put forward all of the salient arguments that we feel are important for the members of this House to hear, because we know that, upon making up their minds as to whether Canada should enter into this agreement and because of the pivotal role that the province of Ontario plays within the context of a Canada-US agreement, it is important that the members of this assembly

understand each and every issue. We intend to review those and to exhaust that agenda, as it were, in order that all of those issues are canvassed very completely.

Within the context of our policy position as it relates to free trade, I want to make it abundantly clear that we oppose the resolution of the government, that we will oppose the amendment, and we will in fact be proposing our own amendment to the amendment at some later stage in this discussion.

I want to say, and I think this is important, that time and again we hear on the other side of the House, through the first minister, about his concerns as they relate to a free trade agreement. We hear how important this is to Ontario. We hear how important this is in the context of the economic viability of this province, how there are certain things that he has concerns about as they relate to free trade, and I ask a very simple question: when my friend the Leader of the Opposition made his brief address to the House a few moments ago, I noticed with some degree of concern the fact that the Premier of this province was not in attendance, and I note now, as I make my few brief remarks, that again the Premier of this province is not in attendance for what is probably going to be one of the most important debates, if not the most important debate, we will undertake in this House.

I simply do not think that is right, that on one day and in one forum or on one occasion one can talk about how important it is to deal with these subjects, to really get into the meat of the mechanics of what this agreement is all about, and then simply excuse oneself from the forum in which this debate has to be carried on. I want to say that, in my view, that is inappropriate behaviour and I think it is inappropriate for the Premier of this province to absent himself on this particular occasion, simply because I do believe that this is in fact an important debate.

I also want to say very briefly that as it relates to the procedural position taken by the government relative to the motion it has put before the House and also the ultimate referral to committee, we have some concerns about the way the government handled that particular matter. I want to associate myself entirely with the remarks of the Leader of the Opposition and the position he put forward that—

**Hon. Mr. Elston:** Same old gang.

**Mr. Brandt:** It may be the same old gang, I want to tell the member, only as it relates to our understanding of what went on and the agreement that was left with our House leader and with



the House leader of the official opposition, which seems to be badly misunderstood by the government House leader.

The fact of the matter is that we do have some concerns about debating a motion by the government, making a decision as it relates to a particular topic and then referring it, once a judgement has been made, to a committee which is now going to effectively spin its wheels for some period of time. Yet they expect our party, and presumably the official opposition, to be enthusiastic about the work of a committee when the decision is already final in their minds.

That is simply not the way in which you conduct the business of this House. That is simply not the way in which you get the co-operation, if you will, of the members of the opposition.

I want to tell you, Mr. Speaker, that we are quite prepared. We have not put a resolution before the House as the government did. They forced us into an action which was totally outside of that which we had intended simply because they precipitated the action.

1730

I will get back to the main body of my address. One of the problems in this debate is that a number of speakers stand up and talk about the need for removing the emotionalism in the debate and getting down to the hard facts and being somewhat objective about what this deal really means. What is the impact of this deal on agriculture? What is its impact on various industries in this province: the petrochemical industry, the forest industry, the mining industry, the automotive industry? What is the real impact going to be? We hear about the importance of taking this emotionalism out of the debate when one attempts to wrap oneself in the flag and says, "I am against free trade and I am against the Americans; therefore, I have to be a good Canadian."

I want to attempt at least, during the few short minutes that I have to make some remarks this evening, to be as objective and as unemotional about this topic as possible. I decided to bring some reference material. One of the things that I brought with me to share with the members of the House today are some references that I think are really quite objective and have removed the emotionalism that I talked about earlier.

They are from a group called the C. D. Howe Institute. Have members heard of the C. D. Howe Institute? Let me tell the House how objective this group is, just for the edification of members. The C. D. Howe Institute is an

independent, nonpartisan, nonprofit research and educational institution. So far so good. It carries out and makes public independent analyses and critiques of economic policy issues and translates scholarly research into choices for action by governments and the private sector.

Once having understood exactly what the C. D. Howe Institute does in its daily activities, I decided to find out what its position was, if it had one, on free trade. I thought that would be only fair because it is nonpartisan, independent, nonprofit, and it deals with items of research as they relate to major questions of the day. Here is what the institute has to say about a trade agreement. I know the members want to hear this because it is objective. These are not my quotes. They come from an independent source:

"We, therefore, in choosing among the options available to us, conclude that Canada's long-term economic interests are best served by pursuing bilateral liberalization of trade with the United States." The only word I do not like there is "liberalization." There must be a way of changing that, and I will speak to the C. D. Howe Institute about it.

They also went on to say, "Status quo policies would subject our country to serious and unacceptable economic risks," and I concur. They also said, "To our surprise, 'we were forced to the conclusion that our cultural and political sovereignty would be increased rather than diminished by achieving treaty-protected access to the US market.'"

That flies in the face of all the rhetorical nonsense that we hear from those who are in opposition to this trading agreement. The concern I have in regard to the government's position, if one can ever find a position that the government stands for in relation to this topic, is that it really does not have a position.

Although I do not agree with the position being taken by the members of the official opposition, as a fellow parliamentarian I have to tell members that I respect the fact that they have a philosophical position. They have stuck to it. They have enunciated it and articulated it very clearly and we know where they stand. The government's position, if I may borrow a term used to identify a certain political group at one time, is a waffle kind of position, whereby it moves according to the political breezes of the day.

**An hon. member:** That is being kind.

**Mr. Brandt:** Some of my colleagues say that is being kind. I always attempt to be kind with my remarks, as you well know, Mr. Speaker.



In attempting to be kind in relation to the description I have used of the waffling that I believe is going on on the other side, I associate myself too with the remarks the second party made in relation to not understanding where the government is coming from.

One day during the period leading up to the election, we see in the newspapers that if these things do not happen there will be no deal. The government of Ontario is going to step in and stop everything cold in its tracks. I am going to quote a friend of mine who said, "Superman went into a telephone booth and came out a wimp," or something like that. I cannot recall who made that comment.

**An hon. member:** Clark Kent.

**Mr. Brandt:** He came out looking like Clark Kent. Just to get the quote correct, it was that the Premier had gone into a telephone booth as Superman and had come out as Clark Kent. Now we have it accurately. I do not want to be inaccurate in my quotes.

**Mr. B. Rae:** Who said that? That is a clever remark.

**Mr. Brandt:** I still cannot recall who in fact made that quote.

The difficulty we have here is that we do not understand why the Premier was so definitive and so specific and why he led the people of Ontario to believe that members of his party were going to be the knights on shining white horses and that he would pour forth with his opposition to this trade agreement and stop it because he thought it was not in the best interests of Canada or Ontario.

The fact of the matter is that this government has completely capitulated on the position it took before the people of Ontario. It has just completely capitulated, and it has a position which becomes increasingly difficult to understand. I fully appreciate the kind of frustration that is felt by some people, who see a complete turnabout here, where the government is simply in the middle of the road. It is not for and it is not against. It is kind of standing by the side of the road watching the parade go by.

I want to say to my friends opposite, this is not the only issue on which they are standing at the side of the road watching the parade go by. The litany of broken promises does not begin and end with the free trade deal. We could include in that the housing problems and the education problems. I will not get into those today, because I would by straying from the topic, but I do want to say that those are important matters of discussion which we will get into on another day.

As members of the Conservative Party, why are we in favour of a free trade deal? Let me quote from one of this government's documents, one of the few that it released that maybe gave a somewhat accurate reflection of what would happen under this trade deal. Members have heard what the C. D. Howe Institute had to say. It made it very clear: there is no status quo; there is no loss of sovereignty or cultural programs; in fact, Canada will benefit from a trade deal with the United States. That is the position it put forward after a great deal of study on this question.

What did the report of the Treasurer (Mr. R. F. Nixon) say? To everyone's surprise, it said that wages would go up and prices would go down. What a bad deal.

I thought the role of government was to improve on the quality of life and the standard of living of the people it is supposed to represent. What happens is, it gets a report from its own Treasurer saying, admittedly, that there would be minimal, minimal kinds of improvements, but that wages would go up and prices would go down.

**1740**

That is the reason, ladies and gentlemen opposite, that the Consumers' Association of Canada has indicated it is in favour of the deal. Are they a vested-interest body? Absolutely not. They are a group and an organization that represents consumers right across Canada. Do members know what conclusion they came to? That this will benefit consumers because, as a result of competition, it will drive prices down and as a result of driving prices down there will be more spendable income for each Canadian. I do not see what is so wrong with that. There is point 1, one of the reasons we are in favour of this deal: because wages will go up and prices will go down, and that is fairly easy to understand.

Let me share with members, with honourable members opposite in particular and with my friends in the official opposition, why we are concerned about this motion and why we feel so strongly about the fact that they are moving in the wrong direction. We are going to put forward over the course of the next while a few arguments for why they should change their minds.

I hope those members who have just come into the House for the first time, some of the 94 who sit opposite and who are perhaps here in this assembly waiting to be converted to that which is right and proper, will stand and vote with our small group here, which is attempting to put forward a position which we feel is right for



Ontario and right for Canada. We ask them not to walk along like blind sheep on a position being taken by their government which is wrong, wrong, wrong. That is what we ask them to do.

[Applause]

**Mr. Brandt:** Thank you. Do not take too much of my time. I want to keep going.

Why are we concerned? Let me tell members. I want to say this in as direct a way as I possibly can, and please listen carefully, members of the government party, because I think this is important. One of the things that they have completely set aside as being of no concern and that they really have not spent too much time and attention on is the question of United States protectionism. We can sit back, as Canadians and as Ontarians, and we can say, "We happen to have a rather respectable surplus in our trade dealings with the United States." And that is right; we do. It is around \$20 billion. We can say that because we have a bit of an edge in our relationship—

Interjections.

**Mr. Speaker:** Order. I am sorry to interrupt the member. I remind all members that they are not allowed to speak from any other member's seat, and particularly not interject. Sorry to interrupt.

**Mr. Brandt:** Thank you, Mr. Speaker. It is good to have the voice of authority back. Things were getting a little out of hand there for a while, and to have you back to assist is most welcome, sir.

Do the members opposite have any concern, as we do, about the question of protectionism on the part of the US government? Or do they think this is some kind of fiction that we have developed on this side of the House to scare them into signing some kind of trade deal with the US? That is absolute nonsense. The reality is simply that, as members well know from reading the newspapers on a daily basis, the Americans are extremely concerned about the trade deficit which they have been experiencing over the last number of years. It has now reached the astounding amount of some \$180 billion, and the amount that is directly attributable to the trade with Canada is some \$20 billion.

**Mr. Callahan:** It's not true.

**Mr. Brandt:** Some would argue the number. I will concede there are different ways of arriving at that figure, depending on which goods and services you include. But I can tell members that the low number is \$15 billion and the high number is \$20 billion; it is between \$15 billion

and \$20 billion. That is the figure. Members opposite will have to show me the evidence to prove otherwise.

The point I want to make is that we are part of the deficit position, whatever the amount, that the Americans are experiencing at the moment, and the protectionist trade bills that are coming forward in the United States Congress reflect the concern and apprehension of the American public, through their elected representatives, over the deficit in trade they are experiencing at the moment.

Of the \$170 billion in total trade that we have with the United States—two-way trade at the moment—we have an advantage, and I think it is great that we have an advantage but, as the C. D. Howe Institute indicated in its remarks and in the comments it made in reflecting on a trade deal, the status quo is simply not an option. The reason it is not an option is that the Americans are going to do something about the problems they have at the moment which have resulted in a huge outflow of American money to other countries in the world.

We know we are not the only problem they have. They have problems with Taiwan, with South Korea, with Japan and with some of the European Community countries. They have problems with a few other countries in the world, but they have a very serious problem with Canada which they are going to resolve in some way. We have a trade agreement here that helps to resolve those fundamental questions. It places us on a level playing field that is an equitable kind of relationship for both the United States and Canada, with all the protective devices one would need, and this is recognized by most of the observant individuals who have made comment on this deal. Most of the fail-safe kind of devices you would want in a trade arrangement are there.

Now the Premier can stand up and say: "This deal does not really give us all the safeguards we want. In terms of the dispute settlement mechanism, this deal really does not have a kind of binding resolution for every problem." Yet we have here the statement of the Minister of Industry, Trade and Technology (Mr. Kwinter) today in which he indicates he still wants to have a methodology of providing regional incentives to areas that have economic problems, and I agree.

All the Americans are saying is that if we are going to subsidize a product, whether it be agriculture, automobiles, another industry of whatever kind, if we are going to bring about some form of regional subsidization, then they



want an opportunity to review that in the context of a dispute settlement mechanism to make sure that it is fair and equitable and that we are on a level playing field.

The Americans are not saying we cannot do it. They are not saying it is outside of an agreement that they would want to enter into with us, but they are saying, quite properly within the context of an arrangement between two sovereign nations, that they should have an opportunity to review that and refer it to a dispute settlement mechanism, such as we have, that will resolve the issue without going through a lengthy kind of court battle and using the American justice system. It is very lengthy and very costly for Canadian business to get through that system.

As much as they do not like the dispute settlement mechanism, most observers have come to the conclusion that although it is not perfect, and I will concede that, and although it does not cover every single possible referral to the dispute settlement mechanism as it stands now, it is absolutely a quantum leap ahead of what we have at the present time, which is nothing. We have no way of resolving those disputes. We have no way of resolving those particular problems.

Now we have a tribunal that has been fine-tuned a little bit, involving five people who will come to a decision on these kinds of disputes. They have also indicated, and members should be aware of this because they acknowledge they do not have all the answers to this very comprehensive trade deal, that in putting this deal together, they will try to firm up, to become more specific with respect to the dispute settlement mechanism over the course of the next five years. So that will be phased; there will be a phased approach not only to the reduction of tariffs and to the removal of trade barriers but also to the fine-tuning of the dispute settlement mechanism.

**1750**

I might also indicate, for the edification of members opposite, that when the Premier stood up in his place in this House and indicated that there was no way in which any provincial government could participate actively in improving this deal, he perhaps had not read some of the more salient points in the deal that is being proposed between Canada and the United States which indicated that over a period of time certain other things would happen.

For example, the phase-in period for tariff reduction is one, five and 10 years. That will happen over a period of time and it will happen, I

might add, after having been fully, completely and exhaustively discussed with the industries in question. They have had an opportunity to say, "It is in our best interests that this phase-in period not take place too quickly," so that they can make the necessary adjustments.

**Mr. D. R. Cooke:** Not the Canadians.

**Mr. Brandt:** The Canadian industries have had that kind of discussion. Do not tell me otherwise, because that does not happen to be the case.

Also as a result, in relation to the dispute settlement mechanism, as I was referring to earlier, there is an opportunity for input to improve on that mechanism and to make it more reflective of the kinds of things that tribunal will be dealing with.

Our bottom line with respect to the question of protectionism and the problems we see that are inherent in the US economy at the present time is that, as a result of recognizing the American problems, Canada must have a method which will allow us full access to the American market, what we have now, and building upon that base for the future. In order to do that, Canada recognizing their problems as a result of their deficit—

**Hon. Mr. Elston:** What do you mean, "Canada recognizing their problems"? It should be, "Canada recognizing our problems."

**Mr. Brandt:** I recognize that, but the minister should understand that when one deals with a trading partner, one also has to concern oneself with what goes on on the other side of the border. Their deficit is a problem that we have to acknowledge because if we get some form of retaliation from the US in relation to our trading arrangement, we can be in very dire straits indeed, recognizing that 90 per cent of Ontario's exported products go into that market.

It is one thing to sit over there like fat cats and take the position that everything is just going to go on without any reaction from the American politicians. Do members opposite think they are not concerned about the import of products and the export of jobs? That is what is happening in the United States, and by entering into a trade agreement we can secure our position with our largest trading partner and integrate to a great extent the economic activity between two of the greatest trading nations in the entire world. We can do that to the benefit of Ontario and we can do that to the benefit of Canada.

One of the parts of this debate that really bothers me more than any other is the way some people are arguing that this is a bad deal for



Canada and using this opportunity to wrap themselves in the flag and indicate that those who are in opposition to the deal are good Canadians and, by reflection, those who are in favour of the deal are bad Canadians or do not have any national pride or do not consider themselves to be quite as intense about their own feelings towards their country and their nation. That is absolute, utter nonsense. I am as much a Canadian as the Premier or anyone else on that side of the House.

I want to say to the members, as the C. D. Howe Institute said, that the interesting part of entering into an economic relationship with the United States in the context of this deal is that it strengthens our sovereignty. It strengthens our culture because our economy is going to get better, and as a result of the economic fortunes of this province improving, we have more wealth to share with the people of this country.

We will be able to afford the social programs, we will be able to preserve the cultural programs and we will be able to preserve the sovereignty and the independence of this country. To wrap themselves in the flag, as some members are wont to do, and indicate they are good Canadians and because of that in some fashion we must, therefore, be anti-American is inappropriate, unnecessary and uncalled for.

I want to tell members what else our party stands for. I want to deal with specifics this afternoon and I have a feeling I am not going to be able to get through my remarks before six o'clock. We favour a bilateral trade deal with the United States.

**Mr. South:** We all do, Andy. We are with you, Andy.

**Mr. Pope:** Then leave the Liberal Party of Ontario, because it does not want to do that.

**Mr. Brandt:** I hope the Leader of the Opposition noted the great enthusiasm that was shown opposite when we talked about a bilateral trade deal with the United States. If so many of them are in favour of it, they should come on over, because we might need them at the time when the vote is taken on this matter. Our party goes a step further, which I think is also an important dimension in the discussion and the debate. We favour a multilateral trade deal with the rest of the world.

**Mr. Ferraro:** So do we.

**Mr. Pope:** Then you had better leave the Liberal Party of Ontario.

**Mr. Brandt:** Gentlemen opposite and members opposite—

Interjections.

**Mr. Speaker:** I know there have been many occasions when members in this House had differing views. However, one member is presenting his views, and I am sure there will be ample opportunity for other members to present their views. The member for Sarnia.

**Mr. Brandt:** I want to talk very briefly about the importance of multilateral relationships as well as bilateral relationships. We do have a very strong commitment and conviction about the need for a formalized trading relationship with the United States but we also recognize full well that there are other countries in the world to which we should be paying a great deal of attention and we should be attempting to increase the flow of Ontario products to those countries. But when you look at that very carefully, one of the things you find is a lot of those countries will not do business with us because they have already formed their own trading blocs and have stopped us from penetrating their markets.

There are many of those markets where it is impossible, irrespective of the price, quality or the service of an Ontario product. We cannot sell into the European Community, for example. Try to sell certain agricultural products to the EEC; the door is closed. It is absolutely impossible. Under whatever circumstances one might attempt to find the third option that the former Prime Minister talked about, the third option is not there for us to consider in many instances.

However, I still agree that multilateral trade options are a very key item and should be part of our collective agenda. If we cannot agree on the bilateral opportunities with the US market, then let us find a way to have this House unanimously agree that we should be doing more. The Minister of Industry, Trade and Technology, who is not here at the moment, should be doing more to exercise his responsibilities and spread Ontario products to various other countries in the world where we may have an opportunity to make some realistic sales.

I find myself—

**Mr. Speaker:** You might find it an appropriate time to adjourn the debate.

**Mr. Brandt:** I am at such an important part of my speech that I hesitate to stop at this moment, but I do recognize the clock. In recognizing the clock, I ask that we adjourn the debate at this time.

On motion by Mr. Brandt, the debate was adjourned.

The House adjourned at 6 p.m.



**ALPHABETICAL LIST OF MEMBERS\***  
(130 seats)

First Session, 34th Parliament

**Lieutenant Governor: Hon. Lincoln M. Alexander, PC, QC**

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Adams, Peter (Peterborough L)	<b>Fulton, Hon. Ed</b> , Minister of Transportation (Scarborough East L)
Allen, Richard (Hamilton West NDP)	Furlong, Allan W. (Durham Centre L)
Ballinger, William G. (Durham-York L)	<b>Grandmaitre, Hon. Bernard C.</b> , Minister of Revenue (Ottawa East L)
Beer, Charles (York North L)	Grier, Ruth A. (Etobicoke-Lakeshore NDP)
Black, Kenneth H. (Muskoka-Georgian Bay L)	Haggerty, Ray (Niagara South L)
Bossy, Maurice L. (Chatham-Kent L)	Hampton, Howard (Rainy River NDP)
<b>Bradley, Hon. James J.</b> , Minister of the Environment (St. Catharines L)	Harris, Michael D. (Nipissing PC)
Brandt, Andrew S. (Sarnia PC)	Hart, Christine E. (York East L)
Breaugh, Michael J. (Oshawa NDP)	Henderson, D. James (Etobicoke-Humber L)
Brown, Michael A. (Algoma-Manitoulin L)	<b>Hošek, Hon. Chaviva</b> , Minister of Housing (Oakwood L)
Bryden, Marion (Beaches-Woodbine NDP)	Jackson, Cameron (Burlington South PC)
Callahan, Robert V. (Brampton South L)	Johnson, Jack (Wellington PC)
Campbell, Sterling (Sudbury L)	Johnston, Richard F. (Scarborough West NDP)
<b>Caplan, Hon. Elinor</b> , Minister of Health (Oriole L)	Kanter, Ron (St. Andrew-St. Patrick L)
Carrothers, Douglas A. (Oakville South L)	<b>Kerrio, Hon. Vincent G.</b> , Minister of Natural Resources (Niagara Falls L)
Charlton, Brian A. (Hamilton Mountain NDP)	Keyes, Kenneth A. (Kingston and The Islands L)
Chiarelli, Robert (Ottawa West L)	Kozyra, Taras B. (Port Arthur L)
Cleary, John C. (Cornwall L)	<b>Kwinter, Hon. Monte</b> , Minister of Industry, Trade and Technology (Wilson Heights L)
Collins, Shirley (Wentworth East L)	Laughren, Floyd (Nickel Belt NDP)
<b>Conway, Hon. Sean G.</b> , Minister of Mines (Renfrew North L)	LeBourdais, Linda (Etobicoke West L)
Cooke, David R. (Kitchener L)	Leone, Laureano (Downsview L)
Cooke, David S. (Windsor-Riverside NDP)	Lipsett, Ron (Grey L)
Cordiano, Joseph (Lawrence L)	Lupusella, Tony (Dovercourt L)
Cousens, W. Donald (Markham PC)	MacDonald, Keith (Prince Edward-Lennox L)
Cureatz, Sam L. (Durham East PC)	Mackenzie, Bob (Hamilton East NDP)
<b>Curling, Hon. Alvin</b> , Minister of Skills Development (Scarborough North L)	Mahoney, Steven W. (Mississauga West L)
Daigeler, Hans (Nepean L)	<b>Mancini, Hon. Remo</b> , Minister without Portfolio (Essex South L)
Dietsch, Michael M. (St. Catharines-Brock L)	Marland, Margaret (Mississauga South PC)
<b>Eakins, Hon. John F.</b> , Minister of Municipal Affairs (Victoria-Haliburton L)	Martel, Shelley (Sudbury East NDP)
<b>Edighoffer, Hon. Hugh A.</b> , Speaker (Perth L)	Matrundola, Gino (Willowdale L)
Elliot, R. Walter (Halton North L)	McCague, George R. (Simcoe West PC)
<b>Elston, Hon. Murray J.</b> , Chairman of the Management Board of Cabinet (Bruce L)	McClelland, Carman (Brampton North L)
Epp, Herbert A. (Waterloo North L)	McGuigan, James F. (Essex-Kent L)
Eves, Ernie L. (Parry Sound PC)	McGuinty, Dalton J. (Ottawa South L)
Farnan, Michael (Cambridge NDP)	McLean, Allan K. (Simcoe East PC)
Faubert, Frank (Scarborough-Ellesmere L)	<b>McLeod, Hon. Lyn</b> , Minister of Colleges and Universities (Fort William L)
Fawcett, Joan M. (Northumberland L)	Miclash, Frank (Kenora L)
Ferraro, Rick E. (Guelph L)	Miller, Gordon I. (Norfolk L)
Fleet, David (High Park-Swansea L)	Morin, Gilles E. (Carleton East L)
<b>Fontaine, Hon. René</b> , Minister of Northern Development (Cochrane North L)	Morin-Strom, Karl E. (Sault Ste. Marie NDP)



**Munro, Hon. Lily O.**, Minister of Culture and Communications (Hamilton Centre L)  
 Neumann, David E. (Brantford L)  
 Nicholas, Cindy (Scarborough Centre L)  
 Nixon, J. Bradford (York Mills L)  
**Nixon, Hon. Robert F.**, Deputy Premier, Treasurer of Ontario and Minister of Economics and Minister of Financial Institutions (Brant-Haldimand L)  
 Offer, Steven (Mississauga North L)  
**O'Neil, Hon. Hugh P.**, Minister of Tourism and Recreation (Quinte L)  
 O'Neill, Yvonne (Ottawa-Rideau L)  
 Owen, Bruce (Simcoe Centre L)  
**Patten, Hon. Richard**, Minister of Government Services (Ottawa Centre L)  
 Pelissero, Harry E. (Lincoln L)  
**Peterson, Hon. David R.**, Premier and President of the Council and Minister of Intergovernmental Affairs (London Centre L)  
 Philip, Ed (Etobicoke-Rexdale NDP)  
**Phillips, Hon. Gerry**, Minister of Citizenship (Scarborough-Agincourt L)  
 Poirier, Jean, Deputy Speaker and Chairman of the Committees of the Whole House (Prescott and Russell L)  
 Pollock, Jim (Hastings-Peterborough PC)  
 Polsinelli, Claudio (Yorkview L)  
 Poole, Dianne (Eglinton L)  
 Pope, Alan W. (Cochrane South PC)  
 Pouliot, Gilles (Lake Nipigon NDP)  
 Rae, Bob (York South NDP)  
**Ramsay, Hon. David**, Minister of Correctional Services (Timiskaming L)  
 Ray, Michael C. (Windsor-Walkerville L)  
 Reville, David (Riverdale NDP)  
 Reyecraft, Douglas R. (Middlesex L)  
**Riddell, Hon. Jack**, Minister of Agriculture and Food (Huron L)  
 Roberts, Marietta L. D., Deputy Chairman of the Committees of the Whole House (Elgin L)

Runciman, Robert W. (Leeds-Grenville PC)  
 Ruprecht, Tony (Parkdale L)  
**Scott, Hon. Ian G.**, Attorney General (St. George-St. David L)  
 Smith, David W. (Lambton L)  
**Smith, Hon. E. Joan**, Solicitor General (London South L)  
 Sola, John (Mississauga East L)  
**Sorbara, Hon. Gregory S.**, Minister of Labour (York Centre L)  
 South, Larry (Frontenac-Addington L)  
 Sterling, Norman W. (Carleton PC)  
 Stoner, Norah (Durham West L)  
 Sullivan, Barbara (Halton Centre L)  
 Swart, Mel (Welland-Thorold NDP)  
**Sweeney, Hon. John**, Minister of Community and Social Services (Kitchener-Wilmot L)  
 Tatham, Charlie (Oxford L)  
 Van Horne, Ronald G. (London North L)  
 Velshi, Murad (Don Mills L)  
 Villeneuve, Noble (Stormont, Dundas and Glengarry PC)  
**Ward, Hon. Christopher C.**, Minister of Education (Wentworth North L)  
 Wildman, Bud (Algoma NDP)  
**Wilson, Hon. Mavis**, Minister without Portfolio (Dufferin-Peel L)  
 Wiseman, Douglas J. (Lanark-Renfrew PC)  
**Wong, Hon. Robert C.**, Minister of Energy (Fort York L)  
**Wrye, Hon. William**, Minister of Consumer and Commercial Relations (Windsor-Sandwich L)

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# Hansard

## Official Report of Debates

### Legislative Assembly of Ontario



**First Session, 34th Parliament**

Wednesday, December 16, 1987

Speaker: Honourable Hugh A. Edighoffer

Clerk of the House: Claude L. DesRosiers



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# LEGISLATIVE ASSEMBLY OF ONTARIO

Wednesday, December 16, 1987

The House met at 1:30 p.m.

Prayers.

## SPEAKER'S RULINGS

**Mr. Speaker:** I would like to inform all members that on Monday last the member for Oshawa (Mr. Breaugh) brought to my attention two matters which I undertook to examine and report to the House on.

On the first matter, the member brought to my attention and to the attention of the House the fact that the publishing firm of Carswell is offering a service to the public which it calls the Ontario Legislative Digest Service. The honourable member was kind enough to send me a copy of this brochure.

On examination, I could find no problem with this service. Basically, this company is using public information and collating it in a way that might prove useful to some members of the general public. I could not find that the service infringed upon the right of honourable members or that it made use of the Legislative Assembly's publications in any untoward way.

On the second matter, the member for Oshawa seemed to perceive a problem with the fact that the honourable the Attorney General (Mr. Scott) was the object of an allegation of conflict of interest made by another honourable member and at the same time was carrying a bill dealing with conflict of interest before a standing committee of this House.

Traditionally, it has not been the role of Speakers to determine, first of all, matters of conflict of interest. Second, the alleged conflict of interest has been referred to the interim commissioner and I am certain that it is being properly addressed there. Third, the bill in question has been referred by this House to the standing committee on the Legislative Assembly and, therefore, any matters of order should be brought to the attention of the committee at this point in the process.

## MEMBERS' STATEMENTS

### UNEMPLOYMENT

**Mr. Allen:** In recent years, many of our communities have been afflicted by plant clo-

sures of one kind or another. There have been problems in issues of unemployment, sometimes related to plant closures and sometimes not. We have seen our responses to those crisis situations take a very ad hoc form as now a federal program, now a provincial program, or some local action is brought into play in response to the critical needs of the unemployed, their families, their needs for retraining, for reorientation and for the support services that are necessary to maintain them through difficult times.

In looking at my own community of Hamilton, one can identify that ad hocery, sometimes ingenious, certainly supported and worked on by institutions ranging from the labour council through to the chamber of commerce. Surely it is time in our communities for us to develop institutions of community economic adjustment or economic development which would involve all of the agencies that are impacted and that can possibly serve a useful role in helping reorient workers' lives, helping them establish themselves on a new basis, helping to re-equip and redevelop factories that are no longer in use and, overall, giving a new thrust to a community that tackles its own problems, but with the support of both the federal and provincial governments.

I issue this comment as a statement and also an alert in a time of critical need.

### STUDENTS AGAINST DRUNK DRIVING

**Mr. Pollock:** I ask all members of this assembly to join with me in welcoming a group of students from Centre Hastings Secondary School in Madoc. These students are members of a Students Against Drunk Driving chapter, commonly known as SADD. They received a cheque for \$500 last Friday from Mr. Lefebvre of the Ministry of the Attorney General for being one of the winners of the "Only you can stop drinking and driving" decal contest.

Present today in the gallery are—and I would ask them to please stand and be recognized—Diane Stiles, chairperson; Karen Wiggins, vice-chairperson; Sarah Coviello, student council president; Michael Brenan, Linda Carman, Bonnie Baumhour, Heather White, Kim Phillips, Paula Foley, Linda Stiles, Alice Nickerson,



and their teacher, Mrs. Sheila Barry. Please give this group a real Queen's Park welcome.

#### ERNEST CHARLES DRURY

**Mr. Owen:** In May 1959, I wrote my last law exam and the next day commenced the practice of law in Barrie, the county seat for Simcoe. There I soon met the sheriff and registrar of the courts for Simcoe county. Notwithstanding the age difference, he befriended the young lawyer with warmth and sound advice. His name—Ernest Charles Drury, the Premier of Ontario from 1919 to 1923.

The former Premier had an eloquence of speech in a Churchillian fashion. He always displayed kindness and gentlemanliness to even the worst criminal appearing before the courts. His style was grand; his spirit was gentle.

When the United Farmers of Ontario won the election of 1919, they had no leader. After a number of others declined, Mr. Drury finally accepted the responsibility. In his four years of government, Mr. Drury achieved major agrarian reforms. Much of Ontario's reforestation, reclaiming wasted lands, was initiated. Social reform legislation such as mothers' allowance was introduced.

How has Ontario honoured Mr. Drury? He would be pleased that a school for the deaf in Milton bears his name. However, here at Queen's Park I have searched for a building with his name. I have found the names of Macdonald, Mowat, Whitney, Hearst, Ferguson, Hepburn, Frost, Drew—all former premiers. When will we similarly honour Ernest Drury?

1340

#### RETAIL STORE HOURS

**Mr. Philip:** A number of members of this House will be familiar with the document I am holding. In particular, the Solicitor General (Mrs. Smith) will be familiar with this document, since she is a signatory to it. It is the report of the select committee on retail store hours. The select committee on retail store hours was established by the Liberal government during the third session of the 33rd Parliament.

The report supports the principle of a common pause day in Ontario. The Solicitor General will recall evidence before the committee that large mall owners invariably have in their lease agreements a clause requiring merchants to stay open during the days and hours established by the mall.

In my riding, Trileia Centres Inc., owners of Shoppers World Albion, has delivered letters to

each of the merchants telling them that their businesses must be open on Sunday, December 27. Similar letters have been sent to merchants in Northgate mall in the city of North Bay.

Merchants are angry at this government for its flip-flop in policy, for its ignoring of recommendations of the select committee, the select committee of which the Solicitor General was a member; which recommendations, indeed, she signed herself.

I ask the Solicitor General and the members of the Peterson government what action they are going to take to protect the rights of those merchants who do not want to remain open on Sunday, December 27, or, indeed, on subsequent Sundays in other years? Why are they so against their right of choice? I ask what action are they going to take to protect their rights?

#### HIGHWAY 93

**Mr. McLean:** My statement is for the Minister of Tourism and Recreation (Mr. O'Neill) and the Minister of Transportation (Mr. Fulton).

In the past, I wrote to them and their predecessors concerning the highway that runs through my riding of Simcoe East. I was told that the matter would be given serious consideration. To date, nothing has happened. I would like to bring this matter to their attention again.

Charles Drury was appointed as the Premier's first Minister of Agriculture in 1888. His son, E. C. Drury, served as Premier of Ontario from 1919 to 1923, along with the father of the present Treasurer of Ontario and Minister of Economics (Mr. R. F. Nixon). The Treasurer's father served in the same cabinet with Mr. Drury at the time. At present, Robert Drury is currently reeve of Oro township. He is a grandson of E. C. Drury.

My colleague the member for Simcoe Centre (Mr. Owen) wants to know how to honour him, and I can tell the government how it can be done.

As the government can see, this area is steeped in history. I believe the Minister of Transportation and the Minister of Tourism and Recreation can honour this history by designating Highway 93 as a heritage highway in 1988, which is the 100th anniversary of Charles Drury's appointment as Ontario's first Minister of Agriculture.

As the Minister of Tourism and Recreation and his colleague will know, their ministries have been approached by members of the county council in the past for Highway 93 to be designated as a heritage highway. Simcoe county supports it, the municipalities support it, I



support it and I understand that my colleague the member for Simcoe Centre would also support it.

### STOP ACCIDENT FATALITIES EVERYWHERE

**Mrs. Fawcett:** I would like to congratulate the Solicitor General (Mrs. Smith) on the fine efforts of the reduce impaired driving everywhere program.

Today, I would like to draw to the attention of the members of this House a new initiative called Stop Accident Fatalities Everywhere. SAFE was recently launched by the community of Caledon and the Ontario Provincial Police detachment there.

Drivers who want to participate in the program drive with their headlights on during daylight hours. Officers watch for motorists who are driving at the speed limit, are wearing seatbelts, are obeying the rules of the road, are displaying good, defensive driving techniques and are displaying at least one courtesy, such as stopping to allow a pedestrian to cross.

Once stopped, the driver is presented with a SAFE award certificate and given a SAFE bumper sticker. Community organizations, private residents and corporations were contacted for assistance. Many businesses provided financial support, while some citizens lent their expertise.

These constituents in the riding of the Minister without Portfolio responsible for senior citizens' affairs, the member for Dufferin-Peel (Mrs. Wilson), are to be congratulated for such a positive driving program.

I wish to make special recognition of Constable Evelyn McLean, who spearheaded the program and developed the idea with the help of the community.

### ENVIRONMENTAL ASSESSMENT

**Mrs. Grier:** Today, in the Supreme Court of Ontario, Energy Probe is arguing that the Environmental Assessment Act should be applied to the construction and operation of the tritium removal plant in Darlington.

Opposing Energy Probe in court is not just a lawyer for Ontario Hydro but a lawyer from the Ministry of the Environment. We have the spectacle of the Minister of the Environment (Mr. Bradley) in the outrageous position of arguing against, instead of for, an environmental assessment.

The tritium removal plant may be operating shortly, having been subjected to no public hearings. If Ontario Hydro gets away with this

failure to abide by the Environmental Assessment Act, helped along by the Minister of the Environment, can other Ontario Hydro facilities be far behind?

**Mr. Runciman:** Mr. Speaker, I would like to ask for the unanimous consent of the House to pay tribute to a former member of the assembly.

**Mr. Speaker:** Is there agreement?

Agreed to.

### GEORGE TAYLOR FULFORD

**Mr. Runciman:** I would like to draw the members' attention to the passing in Brockville on Tuesday of George Taylor Fulford, Liberal representative for Leeds in this House from 1934 to 1937, the last Liberal to represent the riding, by the way, although admittedly they came close a few months ago.

George had the distinction of serving his constituents not only in the Legislature but also in the House of Commons on two occasions, between 1940 and 1953, for a period of nine years.

Mr. Fulford entered the political arena when he was 21, as a member of Brockville's municipal council. During his tenure as a member of this assembly, he was instrumental in the development of the four-lane highway between Brockville and Long Beach.

Mr. Fulford had the unique distinction of being both a dedicated Liberal and a loyal Conservative in his lifetime. In the early 1970s, Mr. Fulford, along with the late Tom Cossitt and most of the executive of the Leeds Liberal Association, joined the Conservative Party. He remained a good supporter of the Ontario Conservative Party.

Mr. Fulford was a well-known philanthropist and I believe the University of Toronto, from which he graduated in 1924, was the beneficiary of his and his family's generosity. Many institutions and parks in eastern Ontario exist today as a result of his interest and financial aid.

He was a name in the sports life of Ontario for many years, perhaps best known for the semi-pro baseball and hockey teams he sponsored. One, the Brockville Magedomas, was a contender for the Allan Cup.

Mr. Fulford was the retired head of the family's patent medicine company which now has its headquarters in Toronto. Perhaps one of that company's best-known products was "Pink Pills for Pale People."

I thank the members of this House for joining me in expressing condolences to the family and



in paying tribute to the contributions Mr. Fulford made to this province and to this country.

**Mr. Breagh:** I would like to offer, on behalf of our caucus, our condolences to the family. The Fulford name is well-known throughout eastern Ontario. He had a very distinguished political career in addition to many other things. He was one of the few people who represented his constituency at the municipal level, the provincial level and the federal level. That is quite an accomplishment. We would like to offer our respects to the family and pay tribute to a very fine resident of eastern Ontario.

**Hon. Mr. Conway:** I would like to join my friends the member for Oshawa (Mr. Breagh) and the member for Leeds-Grenville (Mr. Runciman) in this tribute to the late George Fulford, a man with whom my grandfather sat in this assembly in the period of the 1934-37 assembly.

The member for Leeds-Grenville properly draws attention to the late Mr. Fulford's political and business interests. I well remember as a youngster growing up listening to my grandfather talk about his friend in Brockville who had by then changed his political affiliation, but who was always mentioned along with the phrase "Pink Pills for Pale People."

I know the Treasurer (Mr. R. F. Nixon) has some stories as well because his father sat with George Fulford. As the member for Leeds-Grenville has pointed out, he played a very important role in the political life of Leeds county. I well remember visiting that beautiful home in Brockville, one of the most spectacular examples of turn-of-the-century architecture that I think could be found anywhere in Ontario.

When the member speaks about this former member's involvement, I am reminded about those days when Brockville was, as I think the Treasurer will agree, a hotbed of Liberalism, because there were some very prominent senators who used to maintain some very active quarters in that city, but I am also reminded of the contribution he made at the federal level, as well as his municipal experience.

On behalf of the government and on behalf of the Liberal Party, we want to pay tribute to Mr. Fulford for the contribution he made, which was not inconsiderable over the many years in which he played a very important role in the public life of this province.

**Mr. Speaker:** On behalf of all the members of the assembly, I will make certain that your words of sympathy are sent to the Fulford family as soon as Hansard is printed.

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## STATEMENTS BY THE MINISTRY

### VOTER IDENTIFICATION

**Hon. Mr. Eakins:** I will be introducing legislation later today to establish a new system of voter identification for municipal and school board elections. I would like to take a few minutes now to tell the Legislature about the new system, which I intend to have in place in time for the 1988 municipal elections.

The current door-to-door enumeration system conducted in the fall before municipal elections has a number of weaknesses that are of concern to me and to my colleagues, the Minister of Revenue (Mr. Grandmaître) and the Minister of Education (Mr. Ward).

There has traditionally been a problem with accuracy. In some cases, people have been left off the voters' list. In others, information that appears on the list has been inaccurate.

One cause of these inaccuracies is the difficulty enumerators have in asking potential voters questions about such personal matters as religion and language in order to determine school support. Recent changes to the Education Act have made it essential that the identification of English-language and French-language electors be as accurate as possible.

To address these concerns, I intend to introduce a bill that will replace the current door-to-door enumeration with a bilingual questionnaire, to be mailed out and returned in the spring.

This will have a number of advantages over the old system. It will increase the accuracy and completeness of voters' lists. It will eliminate the problems encountered by enumerators asking potential voters personal questions. It will meet our concerns that electors be identified as accurately as possible on the basis of language rights, and it will provide timely population and electoral data for determining municipal election representation and the size and the composition of school boards.

Because voter identification under the new system will take place in the spring rather than in the fall, voters will have more time and increased opportunities to ensure that information about them on the voters' list is correct.

I would like to take a minute to describe the voter identification process as it would occur under the new system.

At the beginning of May in each election year, a bilingual questionnaire, including instructions on how to fill it out, will be mailed directly to all households and other premises by the Ministry of



Revenue. All persons will be required to return these forms on or before a day designated by the Minister of Revenue, which will be approximately May 15.

During a six-week follow-up period, enumerators will visit households which have not yet returned their questionnaires. The enumerators will collect the forms or assist individuals in completing them.

If no return is filed even after this follow-up, the electoral status of an individual will be based on the ownership or tenancy data as indicated on the assessment roll.

A preliminary list of electors will be produced by the Ministry of Revenue and sent to the municipal clerks by July 31. A voter identification notice showing the electoral status of each person will be mailed to every household by the Ministry of Revenue by August 31. People will again have the opportunity to make changes to the list during the revision period, which begins on the first Tuesday in September and ends on the Monday 28 days before voting day.

Following the revision period, the municipal clerk will make the necessary changes to the preliminary list of electors. The revised list will then become the voters' list. However, even at this stage a voter who has been missed can get a certificate of eligibility from the clerk.

In nonelection years, the list will be continuously updated through several mechanisms, such as changes of ownership and the assessment roll.

In addition to the extensive safeguards built into the system, the government plans further measures to ensure that no one who wants to vote is left off the list.

We will begin a comprehensive public information campaign in the early spring, not only in English and French but also in a variety of other languages, to explain the new system to the voters of Ontario. This information campaign will prepare voters for the arrival of the voter identification form in the mail.

We also plan to set up a network of community groups to assist people whose first language is neither English nor French to complete the forms.

Without an accurate and efficient method of identifying voters, the democratic system cannot function properly. The system I have outlined is another step towards one of my ministry's most important goals: strong, accountable local government across Ontario.

#### TRUSTEE REPRESENTATION

**Hon. Mr. Ward:** Later today I will be introducing a bill to change the method of the

apportionment of trustee representation on Ontario school boards.

The major revision, which we propose to have in place in time for next year's municipal elections, will change the basis for trustee representation from that of assessment to that of population. The new bill will use population for four electoral groups: the public school English-language electoral group, the public school French-language electoral group, the separate school English-language electoral group and the separate school French-language electoral group.

The bill replaces residential and farm assessment data with population data for determining the number of members on a board for each electoral group. This bill also amends parts of the French-language governance legislation, or Bill 75, to remove the dependence on student enrolment data for determining representation. With enumeration data available under the permanent voters' list proposal, this mechanism is no longer necessary. However, the minimum guarantee of three members for minority-language governance is preserved.

Because of the unique two-tiered structure in Metropolitan Toronto, public boards in Metro are not covered at this time. Amendments to legislation will be introduced after the boards' proposals for implementing the principles of this bill have been analysed.

At the present time, Ontario is the only province in Canada that has trustee apportionment based on assessment rather than on population. The change will make Ontario conform with current practice across Canada with respect to municipal, provincial and federal elections, all of which are based on representation by population.

This bill is the result of the work of the Joint Committee on Trustee Distribution, which was composed of representatives of the Ontario School Trustees' Council and the Ministry of Education. In undertaking its work, the joint committee studied a wide variety of submissions and consulted with trustee and parents' groups, provincial municipal associations, the Ministry of Municipal Affairs and the Ministry of Revenue.

I am pleased to inform the members that the report of the joint committee, upon which these amendments have been based, was approved unanimously by the presidents of each of the five provincial trustee associations of Ontario.

#### SMALL BUSINESS

**Hon. Mr. Kwinter:** I am pleased to table today The State of Small Business, 1987, the



report of the committee of parliamentary assistants for small business. This is the second annual report on small business presented by the committee, which is chaired by my parliamentary assistant, the member for Guelph (Mr. Ferraro).

The State of Small Business report expresses the committee's vision of Ontario small business, a vision of creativity and drive. In its report the committee has identified top priorities for small business in the next few months: namely, tax reform and new measures in equity financing. I look forward to working with them on these issues.

This document is an excellent source of facts on small business. I know that it will be very useful to members, the business community and those who study and report on this vital sector of our economy.

This year's report highlights the dynamic growth of Ontario small business. From 1978 to 1984, over half a million jobs were created by business starts in this province. The new report shows how important it is that those firms continue to succeed and grow. Less than five per cent of the firms employing fewer than 20 people in 1976 grew into medium-sized businesses by 1984, yet they account for 46 per cent of all new jobs created.

The amazing vitality of Ontario's small business sector is demonstrated in the startup of new companies through the new ventures program. New ventures, a Ministry of Industry, Trade and Technology program operated in partnership with private lenders, has assisted the startup of over 4,000 young firms in a little over a year, stimulating over \$50 million of new financing. These new firms will bring enormous returns to the province in jobs, wealth and innovation.

We all know that starting and running a successful business is not a simple task. We still have an underdeveloped risk capital market in which some young and growing companies are starved for equity investment. Too many people are starting companies without a solid base of skills or without the market research they need to develop a credible business plan. We are working with Ontario entrepreneurs on these issues.

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The report makes recommendations that merit serious consideration. Among them is a proposal to include small business in economic impact statements that accompany cabinet submissions on issues affecting small business.

The committee has also recommended that the government appoint a private sector advisory committee on small business to work with my ministry and the committee.

I am pleased to announce that we are reappointing the member for Guelph as Ontario's small business advocate. We are also appointing a committee of seven parliamentary assistants to work with him.

The member for Guelph and all members of his committee deserve thanks for their thorough work in the past year, and I congratulate them on the presentation of this report.

#### FARM IMPLEMENTS

**Hon. Mr. Riddell:** We always leave the best till the last.

Later today I will be tabling for first reading the proposed Farm Implements Act.

As the members of the House know, farming continues to be a capital intensive industry requiring Ontario farmers to make considerable investments in farm machinery. This new act has been developed in response to long-standing requests made by farmers and the retail equipment sector to develop standards for the industry covering the sales, service, warranty and safety of farm equipment.

This act would replace the voluntary certification program which was based on the farm machinery code. Support for his voluntary program, which was introduced in 1980, has diminished in recent years.

The new act calls for a registration system for distributors and dealers, as well as standardized sales contracts, establishment of minimum warranties and guarantees for the availability of parts.

Also included in the act are provisions to return equipment that fails to perform to manufacturers' specifications, supervision of safety measures and provision for buyback agreements between distributors and dealers.

The Farm Implements Act would be administered by a board consisting of representatives of machinery manufacturers, farm groups, wholesalers, retail dealers and individual farmers. The board would also be authorized to mediate disputes between farmers and the equipment industry.

This legislation fulfils yet another election promise, and I urge the House to pass this legislation to standardize the practices of Ontario's retail and wholesale farm machinery sector and provide consumer protection for our farmers.



## RESPONSES

### VOTER IDENTIFICATION

**Mr. Breagh:** I would like to respond briefly to the statement made by the Minister of Municipal Affairs (Mr. Eakins) on what is now called voter identification, which always has been known as enumeration. I do not know why we need the new title, but we now have one.

Almost anything would be an improvement, and I think that is a given. Most of us are amused when we read the stories in every election of the dogs, the pickup trucks, the tombstones that make their way on to the voters' lists. Anything that improves upon that situation is indeed welcome.

I am an advocate of a permanent, established voters list for all three levels of government, and I think we are generally moving in that direction.

I see a couple of problem areas that have to be resolved. The first major one is that the computers in the Ministry of Revenue will have to do the job right at first crack for the first time in their history. That is highly unlikely to happen, but we should always give it another chance.

The second one is that basically there is a component part of this which is very much like the old on-the-street enumeration. That has always been the most difficult part of the process, and it is complicated in a modern society by the fact that we do have people who speak many languages and people who are not at home in the same way they traditionally have been. So we can see a couple of areas where it is going to be difficult.

I certainly hope that it would be a first step in establishing a permanent voters' list that would be suitable for use in all forms of general elections. It is not going to be an easy task. I do not want to make the unfortunate prediction that this will be all screwed up by late spring. I hope it will not be and I wish the minister well in his endeavours, but it involves more than one ministry doing the job right. Having watched governments function for some time around here, it will be a first if this happens.

### RECENSEMENT ÉLECTORAL

**Mlle Martel:** Je voudrais dire quelques mots au ministre délégué aux Affaires francophones (M. Grandmaître) à propos de l'annonce faite par son collègue cet après-midi. Je voudrais le féliciter d'avoir accepté les principes énoncés par l'Association des enseignantes et des enseignants franco-ontariens à propos du recensement électoral. J'espère bien qu'il va faire une campagne

publicitaire avant le recensement pour en aviser le public et pour encourager le public à remplir complètement le questionnaire.

Deuxièmement, je sais bien que les changements annoncés cet après-midi vont avoir un grand effet sur l'éducation francophone en Ontario, c'est-à-dire sur les fonds visant l'éducation, avec le nombre des écoles francophones, avec les étudiants aux écoles francophones et, finalement, avec les étudiants francophones admis aux écoles francophones.

Je voudrais lui dire que j'espère que le porte-à-porte fait après le questionnaire va être fait avec le plus de soin et le plus de sensibilité possible envers les francophones.

### TRUSTEE REPRESENTATION

**Mr. R. F. Johnston:** Just a few words on the last fill-in, last-minute legislation by the Minister of Education (Mr. Ward) to include school boards, finally, in this whole process. I am glad he got around to doing it, except of course for Metropolitan Toronto, where this is not going to be the case for the coming election. We are going to have the situation across the province where we are actually going to have trustees elected in wards with boundaries different from those the councillors will be elected in.

If one can think of the kind of confusion there already is at the municipal level with all the various positions that are elected, the extra problems that are going to be there because of that, whether it is in Sault Ste. Marie or the city of Toronto, are enormous. I wish he had thought this out well in advance instead of bringing it in at the last minute to fill in a gap that he has left.

### FARM IMPLEMENTS

**Mr. Wildman:** Just a brief comment on the announcement by the Minister of Agriculture and Food (Mr. Riddell) of the introduction of the Farm Implements Act. I welcome this announcement. The comment by the minister that the voluntary program has lost support is certainly an understatement. It never really worked and I am glad the minister is finally implementing my bill, which I first introduced in 1977 and reintroduced many times ever since. Hopefully this will resolve the problems of service and living up to warranties and, particularly, making parts available when they are needed, because it seems that major breakdowns occur just when machines are needed at seeding time or at harvest and the parts so often are not available.

Thank goodness the minister has finally agreed to my legislation.



## SMALL BUSINESS

**Mr. Sterling:** I would like to respond briefly to the statement by the Minister of Industry, Trade and Technology (Mr. Kwinter) with regard to the report, *The State of Small Business*. I think the greatest difference between this year's and last year's annual reports is that this time it is red on white and last year it was white on red.

For a cost of \$88,000 to the Ontario taxpayers, we have had eight parliamentary assistants produce this report. I think it is most noteworthy to look on page 80 of the report, where it says, "The powerful economic recovery in Ontario...has been rather uneven. The northern and eastern parts of the province have not had an easy time of it." Then it says, "This is why the government has directed so many programs, especially financial...at helping northerners establish new businesses."

It does not even mention eastern Ontario. It is obvious that this government does not care one hoot about eastern Ontario and development in that area. It is about time it spent a little time considering that eastern Ontario, as well as northern Ontario, has a tough time of it.

Notwithstanding that, we have confidence that the small business community can overcome this small business committee.

## FARM IMPLEMENTS

**Mr. Villeneuve:** I too want to comment briefly on the announcement today by the Minister of Agriculture and Food (Mr. Riddell) on the Farm Implements Act. Yes, it is a good idea to standardize sales contracts and to bring the playing field level, particularly when it applies to our farmers and our farm implement dealers.

However, the big problem is that farmers must be able to afford to buy some equipment. Our cash crop producers and our grain producers, in particular, over the last three years, have suffered a one-third reduction in their gross farm income.

This government promised to double the budget in relation to agriculture. It has brought it up by less than one half of one per cent. That is not a promise that was kept by this government or this minister.

This government has placed agriculture at a very low profile at the cabinet level, and I believe it is a shame. Yes, we must have standard sales contracts and what have you, but farmers must be able to afford to purchase equipment, and right now I am wondering whether they can or not.

## TRUSTEE REPRESENTATION

**Mr. Jackson:** Our party wishes to comment on the announcement today of the Minister of Education (Mr. Ward) about the changes in the apportionment of trustee representation in Ontario.

It is important to note that it was the Minister of Municipal Affairs (Mr. Eakins) who assured this House that by fast-tracking Bill 29 there would be no problems. Yet within a week and a half of that statement, we now have the Minister of Education rising to tell us, "That is fine, but we will be unable to resolve matters with respect to trustee representation within that same jurisdiction." In fact, we are not even getting a clear statement as to when those matters for the world's largest trustee-represented area will be resolved.

Our party will be anxious to know if this legislation, of which we do not have a copy in front of us, will be sent to committee to ensure that all members of this House are able to consult widely with their own boards and to ensure that certain matters have been protected in their own jurisdictions.

First of all, we will want to consider the impact on minority-language governance to ensure that appropriate levels of representation have been maintained and honoured. We will be anxious to see the government's position and whether this will go to committee and enable the trustees, educators and ratepayers to provide further and final input.

## VOTER IDENTIFICATION

**Mr. McCague:** I would like to comment briefly on the statement made by the Minister of Municipal Affairs (Mr. Eakins) today. As has been mentioned, we all welcome anything that can be done to get a better voters' list at the time of elections.

It seems that a lot of the cause of this is the difficulty that people have in answering a question about their language or religion. However, I think an education system will help greatly, and that is the part of it that must be emphasized, because I see this as being rather confusing to the average taxpayer, the average citizen of the province, and therefore the education part at the very start is going to be very important.

We will pledge our party's support to the minister in accomplishing a permanent voters' list in the near future.



## ORAL QUESTIONS

## TRADE WITH UNITED STATES

**Mr. B. Rae:** I would like to ask a question to the Premier. On October 7, 1987, after one of the earliest premiers' conferences—I think the first premiers' conference after the announcement of the free trade agreement between Canada and the United States—the Premier was quoted in the *Toronto Star* of October 7 as follows:

"Although he is ready to take part in a 'national debate' about it, he said he plans no concrete action to try to stop it. 'I would never work to undermine my colleagues or the Prime Minister,' Peterson said."

At that same time, the Premier also said he did not think it was a good idea or, to quote his words, "a hell of a good idea" to have a resolution from the Legislature condemning the deal. Apparently, he has changed his mind on that.

Yesterday the Attorney General (Mr. Scott) described an assertion that the agreement fell mainly within the federal jurisdiction and an assertion that the federal government had the right to sign the deal unilaterally, as "insensitive, confrontational, misleading and at worst, simply wrong."

I think we are entitled to know who is speaking now for the government of Ontario and just what the government of Ontario intends to do to stop the deal.

**Mr. Speaker:** Question.

**Mr. B. Rae:** My question to the Premier is this: is it his view that the federal government has the constitutional power to go ahead with this deal? And if it is his view that they do not, which is the view I heard clearly expressed yesterday by the Attorney General, surely we are entitled to know just what he is going to do—

**Mr. Speaker:** Order. The Premier.

**Hon. Mr. Peterson:** We have answered that question on many occasions. I could answer and explain some of the quotes that he pulls out and relates in contexts that are not relatable. But the answer is yes, they have the right to sign a treaty; no, they do not have the right to sign a treaty with respect to matters of provincial jurisdiction.

**Mr. B. Rae:** Let me quote from page 6 of the Attorney General's speech yesterday:

"The federal government claims it has the constitutional right to sign and implement the agreement unilaterally, regardless of provincial objections. Both of these claims require careful scrutiny."

He is referring to the other claim about the fact the agreement was in the federal jurisdiction 97 per cent, something the Premier himself has said on a number of occasions; the Attorney General says he is wrong on that front. He says:

"In fact, I want to suggest that these two federal assertions about the agreement are insensitive, confrontational, misleading, and at worst, simply wrong."

What the Attorney General is saying is that an assertion that the federal government has the unilateral right to sign the agreement is wrong. He says it: "to sign and implement the agreement."

I would like to ask the Premier what he intends to do at this late date to get the federal government to agree not to sign the deal. Is he going to launch the kind of constitutional challenge on behalf of Ontario that would have the clear effect of signalling to the federal government that this is a fundamental breach of the relationship between the federal government and the provinces and that he regards it as such?

**Hon. Mr. Peterson:** With great respect to my friend opposite, I do not agree with his interpretation of the Attorney General's speech. If my friend disagrees with me, he should ask the Attorney General, because obviously my friend does not read it the same way that he read it and wants to put his own interpretation on the matter.

The answer to the question—we answered it yesterday and discussed it yesterday—is that it is the legal opinion of the government, as expressed through the Attorney General, that at this moment there is nothing to take on a constitutional reference. We could frame a theoretical question, but the theoretical question may very well have nothing to do with the reality. The court would probably not be predisposed to dealing with that theoretical question or the hundreds of theoretical questions we could possibly put to it. So the answer to the question is no.

**Mr. B. Rae:** Perhaps the Premier can tell us, is he prepared to tell us today that he is in fact going to launch a constitutional challenge either on the treaty itself, on a referred question or on legislation that flows from it? Is he prepared to stand today and signal to the federal government, before his meeting tomorrow, that it is his intention to launch a constitutional challenge? Surely, in the light of the Attorney General's speech yesterday, we are allowed an answer to that simple question.

**Hon. Mr. Peterson:** I answered the simple question yesterday, but I will tell my friend again



the simple answer to his simple question. Number one, it is not our advice to launch a constitutional challenge on the treaty, because they have the right to do so. Number two, it is not our intention to frame a bunch of theoretical questions that may or may not be part of implementing legislation in the future. Number three, it is possible, very clearly, that there could be a court challenge on implementation legislation, obviously depending on what comes forward. That is the very clear answer—

**Mr. B. Rae:** I'm sure that will make them tremble in their boots in Ottawa.

**Hon. Mr. Peterson:** They sure do not tremble in their boots when my friend goes to Washington. He helps the other side; that is the problem.

#### HOURS OF WORK

**Mr. Mackenzie:** I have a question for the Minister of Labour. Local 1005 of the United Steelworkers of America and I have given the minister specific examples of overtime violations at Stelco, violations which in many cases were not investigated months later, and there certainly have been no charges.

The minister stated in response to my question on December 10, "There is disagreement as to what actually constitutes overtime; whether the terms of the collective agreement...or...the Employment Standards Act ought to apply," an inference that seems to question the evidence presented. The minister also implied that we were always accusing him of not doing his job and trying to use this for political or partisan reasons.

What kind of evidence does the Minister of Labour need to prosecute Stelco for violations of the Employment Standards Act with respect to excessive, illegal overtime?

**Hon. Mr. Sorbara:** That is a very good question, because it gives me an opportunity to expand just somewhat on the reference I made in answer to that question back on December 10.

There are some workers there within that local who are working within the construction sector and so are not covered by the same provisions under the Employment Standards Act. There is some dispute additionally as to the specific provisions that apply within the collective agreement.

I will tell my friend the member for Hamilton East as well that we have investigators from the employment standards branch looking into the matter—

**Mr. B. Rae:** You've had eight months.

**Hon. Mr. Sorbara:** I will tell my friend the member for York South (Mr. B. Rae) also—the investigators are trying to agree on a list of names of workers, pursuant to the letter that was sent to us by Ray Silenzi. There will be a thorough examination of their work records, and if charges are appropriate after that investigation, then they will be laid.

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**Mr. Mackenzie:** The union knows that Stelco is breaking the law. Stelco knows that Stelco is breaking the law. I want to quote to the minister, if he has not seen them, two internal Stelco memos; these were back shortly before the letter he got from the president of the local. Let me read the two brief sentences.

The first one is to the mechanical department and it deals with some of the excess hours and the contracting we are talking about. This is a memo to the superintendents in the plant:

"Clause 20(1)(a) of the Employment Standards Act, 1980, states that the employees in maintenance occupations may work up to 60 hours per week. This of course does not include overtime hours required for emergency purposes. Records are kept by the employment department and the employees appearing on this list have worked beyond the prescribed limits, in contravention of the act." I ask the minister to listen. "The bottom line is that we are breaking the law."

The second memo is minutes from the five plant superintendents' meeting, back also in November, under the heading "Overtime":

"Still excessive in some areas, with illegal levels being worked in a number of instances. Superintendents should bear in mind possible serious consequences and make every effort to reduce the overtime."

**Mr. Speaker:** Question?

**Mr. Mackenzie:** Can the minister explain why he has not been able to enforce the law? Is he incapable of enforcing it—if so, he should step down from his job—or is he simply playing the role of a handmaiden to Stelco?

**Hon. Mr. Sorbara:** I just recently stepped into my job and I actually feel quite comfortable. I plan on staying here quite some time, with the concurrence of the Lieutenant Governor.

It is not appropriate for me to comment on confidential memos. If my friend the member for Hamilton East wants to provide me with those documents, I would be happy to provide them to the investigators.



The difference between an allegation by the union that the law is being broken, or an allegation by individual members or by the member for Hamilton East or by anyone else, is that those are simply allegations; but members know, and the member for Hamilton East knows quite well, that when prosecutions are contemplated it is not simply a matter of having allegations, it is having sufficient evidence to know that when you go to court you can have not only an allegation and a charge but a conviction as well.

**Mr. Mackenzie:** I am sure the minister knows that his investigators could have had those documents and the lists referred to by the company at any time. With the clear admission by Stelco that it has broken the law, can we now expect the minister to carry out his duties as a minister of the crown and see that charges are laid?

**Hon. Mr. Sorbara:** In reference to the question my friend brings up, and that is the law in this respect, he will know we have done very extensive work, through the task force that Arthur Donner led, to create a new regime, because the current regime—I agree with my friend—has grave deficiencies.

If our investigations at Stelco determine that in this particular case, given a policy on prosecutions in cases of overtime violations, prosecutions are warranted, then they will be proceeded with. I tell my friend, though, there are violations of overtime provisions in countless businesses around the province and what we really need is a better, clearer regime. I anticipate bringing about a better, clearer regime, based on the work that Arthur Donner did for this government and this assembly.

#### EDUCATION FUNDING

**Mr. Brandt:** My question is for the Premier, and it is related to a statement the Premier made back in 1985. This is a very important matter on educational funding, I would advise him in advance.

His statement at that time was, and I am quoting directly from a speech that the Premier gave, "It would be the intention of the Ontario Liberal Party to restore this level to a minimum of 60 per cent, on the average, across the province"—and I want to underline the last words that he used—"during our first term of office."

I know the former Minister of Education is advising the Premier very quickly as to what the right response should be to this question. If the two of them would like to stand and answer the

question in concert, that is fine too. I do not mind.

The question I have is, since the level of education funding has gone down—I am trying to read the former minister's lips, and then I might change the direction of my question—from the time the Premier took office, and since he made a very specific commitment to fund 60 per cent as an appropriate level of funding on the part of the province, is it his intention to keep the promise as it relates to education funding?

**Hon. Mr. Peterson:** The former Minister of Education told me to tell the member that it is always our intention to keep the promise.

**Mr. Jackson:** It is now apparent and obvious to this House why the member for Renfrew North (Mr. Conway) has earned the affectionate nickname Edgar Bergen.

On December 11, 1984, the Liberal member for Renfrew North tabled a motion of nonconfidence in the then government based on the government's education policies. The motion in part asked the House to vote nonconfidence in the government because of "the policy of the government to refuse to provide capital funds to school boards for the building of school facilities in those areas of the province where overcrowding and the use of portables are at a crisis stage."

The crisis in the use of portables has significantly increased under his government. According to his own ministry figures, since 1985, portables have increased in this province by 39 per cent, from 4,096 portables up to 5,710 portables currently in use. The increases in capital funding for this purpose have not kept pace with the increased demand.

My question to the Premier is, when does he intend to begin to reduce the number of students who are forced to use portables? When will he fund to the level he promised, at least back to December 11, 1984, when, at that low level he considered it to be a crisis?

**Hon. Mr. Peterson:** I appreciate the honourable member's question. You know, I remember very well the eloquent speeches of my colleague, now the former minister, who so incisively penetrated some of the inadequacies of the education policy of the former government. May I say in candour that, had the former government followed the advice of the then member of the opposition, we would not have had to deal with the problems today that we are having to deal with. So I say he was again prescient.

I think the member will find that under his leadership and that of the now Minister of Education (Mr. Ward) we have reasserted the



importance and the pre-eminence of education as a priority in this province. If one looks back over the increase of funding over the last couple of years—and I am not here to tell members that there are not problems, because there are problems—if one looks at his tripling of the capital budget to meet some of the problems that had lain neglected for some 10 or so years, I think one will see a government in terms of two ministers who have made a very substantial commitment, and we are going to rectify the problems we inherited.

**Mr. Brandt:** The Premier knows full well that his promise was to increase education funding and to reduce the number of portables. Those were the promises he made. Neither of those two questions has been answered, so I will go on to the next one.

Since the Premier accuses the former government of not following the very sage and very specific advice of the former Minister of Education, why would he not take the advice of his own colleague and do the things he recommended in such a vociferous and aggressive fashion when he was in opposition? Why would he not follow his advice and implement those things that he promised the people of Ontario he was going to do? Why does he not keep the promise?

1430

**Hon. Mr. Peterson:** Let me congratulate the two gentlemen opposite on the way they arranged the questions back and forth.

I spent part of last night with Mr. T, the member will be happy to know, and he was telling about some of the wrestling rules and how they pass off on tag teams when they get into trouble, the way those two gentlemen opposite have done. They run and touch hands and pass it down the bench.

Let me say to my honourable friend that we as a government understand there are problems. We do not try to duck our responsibility in that regard. We have started with a very major commitment, particularly to primary, elementary and secondary education, as well as to the post-secondary levels in the skills training areas because that is a priority for this government.

We are making substantial progress. I wish we could solve all the problems in one day. The member constantly refers to the capital allocation. It was tripled from, in the last year of his government—he will correct me if my figures are wrong—some \$74 million to \$226 million. I believe my figures are right.

I wish we could put up a school in one day but we cannot. These things take planning and time but we are working closely with the school boards in this regard. I cannot argue that what we do will ever be enough, but I will say that we have reasserted that priority and we are seeing morale coming back into our school system the likes of which the member has not seen. I am happy to work with the school boards, the teachers, the parents, all who care about this, to make sure we have an educational system second to none.

**Mr. Brandt:** I have heard that speech before somewhere, but let me simply say to the Premier that I appreciate the fact that he is now having—

**Mr. Speaker:** Fine, and the new question is to which minister?

#### AFFORDABLE HOUSING

**Mr. Brandt:** My question is of the Minister of Housing. I had not indicated that because I wanted to finish with the Premier.

The question to the Minister of Housing is related to the issue of the number of affordable rental units her ministry intends to construct by the year 1989. The minister has indicated and the government is committed to a total of 102,000 units. At some later stage, the announcement was expanded to the years 1985 to 1990 and that would be the time frame for which she would construct those affordable housing units. She maintained the number of 102,000.

Now, in estimates, she is apparently saying there will be further delays as a result of shortages in materials and manpower. Is she breaking the commitment she has made to the people of Ontario to construct 102,000 housing units by 1990, which is one year longer than was promised in this advertisement during the course of the 1987 election? Would she give us her intentions as to how many units she thinks she can construct?

**Hon. Ms. Hošek:** In direct answer to the question of the member opposite, no, we do not intend to break our promise. We will indeed be building 102,000 units of housing for the people of Ontario by the year 1990, both new buildings and through renovation.

**Mr. Cousens:** The member for Sarnia (Mr. Brandt) has tried to get an answer and at least have something happen by 1990. Indeed, this House knows there was a promise that there would be 102,000 affordable homes by 1989. Already there is a moving away from the promise that was made. In 1985, there was a Liberal election promise that would have placed a ceiling



on rental units at four per cent. Also in 1985, there was a promise to establish a central rental registry. Everyone knows they did not succeed in keeping rental ceilings at four per cent.

Can the minister tell this House and the tenants when she will meet the three-year-old promise of the rent registry being fully implemented?

**Hon. Ms. Hošek:** I am glad to answer that question for the honourable member opposite. The rent registry is operational now. There are about 150,000 addresses with the exact rent on them right now on the computer. They will be increased to the full amount of about 550,000. There are going to be, starting very soon, 10,000 mailed out every single day for the next number of months to inform people of their legal rent. This is one of the things we were able to do that has not been done before, that establishes a base legal rent for most of the apartments in Ontario.

**Mr. Cousens:** The minister still has not answered the question as to when this rent registry will be completed. It is really only five per cent done, so that is a promise that has been broken.

I have another broken promise from this Liberal government. During the election campaign, another of the great promises that a lot of people liked and probably voted for the Liberals because of is the Ontario home ownership savings plan, which was announced on August 14 by the Premier (Mr. Peterson) in Kingston. Everyone assumed that this program would be in place in the 1987 tax year.

Interjections.

**Mr. Speaker:** Order. I am having a little difficulty. I hope this supplementary relates to the previous response.

**Mr. Cousens:** The Ontario home ownership savings plan was announced and promised by the government in August of this year during the election campaign, and it has not been introduced in the tax year 1987, as was expected.

Given the current crisis in housing and the need to help first-time home buyers, will the minister adopt a proposal supported by our party and by many other people of eliminating land transfer taxes for first-time home buyers?

**Hon. Ms. Hošek:** We will be doing anything that we think is reasonable to increase the affordability of housing for first-time buyers. Our home ownership savings plan is exactly that kind of proposal. It is being worked on right now by the Treasury and the Ministry of Revenue, along with the people in the Ministry of Housing. It will be announced for the 1988 tax year, and I

will take any other reasonable suggestions very seriously.

### PROJECT 3000

**Mr. Breaugh:** I have a question for the Minister of Housing concerning her Project 3000 program. Why has her ministry decimated a program that was specifically designed to meet the housing needs of people with special needs, a program that has been in operation for a couple of years? People know about it. There is a whole network of people out there wanting to make proposals under this. Her ministry has been averaging about 1,500 units for the last two years. Why has the minister cut that back to only 330 units for the next three years? Why did she decimate a program that actually worked?

**Hon. Ms. Hošek:** Project 3000 was an allocation of 3,000 units, in particular for people with special needs. It was announced once and then it was to be allocated over three years. The member opposite is correct that it has been a very successful program.

It is partly because of that program that we also introduced a program called Supportive Community Living, which is an additional 1,000 units for people with special needs who also need various kinds of supports to be able to live independently in the community.

Our commitment to those programs remains and we are bringing those projects forward. They have indeed been very successful and many, many people are now living in housing they would otherwise not be able to occupy.

**Mr. Breaugh:** In the middle of the election, in August, the Minister of Housing in Ontario approved 2,000 units under this one program alone. By December, the minister had cut the program to 330 units a year for the next three years. Can she explain the dramatic difference between August and December? Have all the needs been met or is the truth simply that the election is over?

**Hon. Ms. Hošek:** The commitment to 3,000 units under Project 3000 is there, and they will be built. The commitment of 1,000 units to Supportive Community Living is there, and they will be built over two to three years. I have that commitment. It will happen.

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### HEALTH SERVICES

**Mr. Eves:** My question is to the Minister of Health. On January 22, 1985, her party promised to eliminate Ontario health insurance plan premiums within five years. On March 7, 1985,



her party promised to establish a denticare program for children and needy seniors throughout Ontario. When is she going to live up to these commitments?

**Hon. Mrs. Caplan:** There are many commitments that we have made to the people of Ontario regarding health care, and I am proud to say that we have been making great progress towards them. I would like to point out to the member opposite that in fact our capital program of \$850 million in addressing over a decade of underfunding of health facilities is one of the most significant capital programs in health care spending in decades.

**Mr. Eves:** As usual, the minister has not even answered the question. During the 1985 election campaign, her party stated that it would eliminate OHIP premiums and would phase them out by raising personal and corporate income taxes in Ontario. She has had three budgets since then. The Liberals have raised personal and corporate income taxes in Ontario, but they have not eliminated OHIP premiums.

The Liberals also stated that they would pay for a denticare program that would serve two million children and senior citizens in Ontario and they would do that by banning extra billing. The money they saved from that would go into the denticare program. The Liberals have banned extra billing in Ontario; the Treasurer (Mr. R. F. Nixon) has the money. When is the minister going to introduce the denticare program?

**Hon. Mrs. Caplan:** I would like to point out to the member opposite that in our almost three years we have not increased OHIP premiums in this province. Further, we have removed from the OHIP premium rolls over 40,000 individuals in this province who under the previous government had to pay OHIP premiums.

#### BLOOD TRANSFUSION SERVICE

**Mrs. O'Neill:** My question is to the Minister of Health. I would like to bring to the minister's attention again the situation in Ottawa at the Red Cross centre, which serves the 29 hospitals in eastern Ontario. I was pleased to receive the minister's answer in regard to the progress of the capital funding process for this Ottawa centre. While I recognize that the long-term solution is a new blood transfusion centre for Ottawa, I am very concerned about the current overcrowding situation. Is the minister willing to consider alternative solutions to aid the Ottawa centre in the short term?

**Hon. Mrs. Caplan:** The member for Ottawa-Rideau has raised this question with me, and I

recognize and believe that it is important for the Red Cross to have the necessary facilities to be able to provide for an adequate blood supply. In the past two years, this government has been making progress. We have contributed money to build a new head office facility for the Canadian Red Cross Society in Ottawa. As well, we have announced a new transfusion centre in Metropolitan Toronto.

My ministry will consider interim measures to address the issue which the member has raised and to help resolve the current overcrowding situation.

**Mrs. O'Neill:** I thank the minister for following up on this very important issue which I brought to her attention. I feel, however, that time is of the essence in this matter. When will the interim measures begin?

**Hon. Mrs. Caplan:** I understand that staff at the ministry have expressed willingness to meet with representatives of the Canadian Red Cross to discuss any proposals which would solve the current situation in Ottawa on an interim basis. Let me assure the member that we will work actively with the Red Cross to see what we can do in the interim to solve this very important issue.

#### NORTHERN HEALTH SERVICES

**Mr. Hampton:** My question is for the Minister of Health. A week ago Tuesday, the Toronto Star featured an article which detailed the shortage of doctors in northern Ontario. The first paragraph of the article starts out by saying, "There's a wry joke circulating among some newcomers to Ontario's north: 'Trying to find a family doctor? Call Toronto.'"

The fact is that many communities across northern Ontario have too few family doctors. Some have only one and some make do with a succession of family doctors who stay for six months or a little longer and then move on.

The situation has existed for some time, and it has certainly existed over the last two and a half years. We have communities in desperate need. When is the Minister of Health going to do something about it?

**Hon. Mrs. Caplan:** I recognize and share the concern of the member that there are some difficulties that northern communities are having in attracting and keeping doctors in the north. There are a number of incentive programs available right now within the ministry. We provide, on an interim basis, locums where required, and we look to resolve the problems of the individual communities with longer-term



solutions through incentive programs and the underserviced area program in the ministry.

**Mr. Hampton:** The people of northern Ontario are well aware of the incentive programs. Some of them have been around for a while. Some of them offer a few thousand dollars extra for a doctor who locates in northern Ontario. Everybody knows that for doctors in northern Ontario, money is not the issue; they are so busy that they can make more money than they can possibly have the time to spend. Financial incentives do not answer the question at all.

Given that financial incentives do not work, when is the minister going to do what the communities up north are asking: (1) designate a medical school to be a medical school for northern Ontario and set up admissions criteria that will select people who want to practise there; and (2) admit some of the doctors from outside of Canada who want to practise in northern Ontario, who want to intern in northern Ontario. When is the minister going to do that?

**Hon. Mrs. Caplan:** Let me say to the member opposite that we believe there are several ways that we can respond to the needs of the northern communities for medical services and medical personnel. We believe, in fact, that there is an adequate supply of medical personnel in the province and that the problems we have are geographic problems. In fact, we have been very successful in placing medical personnel in northern communities, and there are now some 590 physicians who are located in northern communities through the underserviced area program, 181 of whom are qualified specialists.

The issue that he raises is particularly complex, but it is not one of medical supply as opposed to distribution problems. I would be interested in sharing with him solutions to that problem and further discussion.

#### PHYSIOTHERAPISTS' FEES

**Mr. Eves:** I have another question for the Minister of Health. On May 22, 1986, her predecessor, the member for Bruce (Mr. Elston), promised Ontario physiotherapists that the government would close the gap between treatment fees paid to physicians and physiotherapists. The gap at that time was 15 cents. Today, under her government's stewardship, it is \$1.10. Why has she not lived up to that commitment?

**Hon. Mrs. Caplan:** It is a very healthy day in the Legislature. Let me thank the member for his question and inform him that at the present time negotiations are under way between the Ministry

of Health and the Ontario Physiotherapy Association.

I am aware of these issues. I feel that all issues can be resolved through negotiations and that it would be inappropriate for me to comment further at this time.

**Mr. Eves:** The minister knows very well, or should know, that those negotiations she speaks of were concluded on November 9 of this year, when the ministry made its final offer of a two per cent increase to the physiotherapists, leaving a 90 per cent gap. It is inconceivable that after her predecessor made this commitment, the gap is now six times larger than it was when he was the minister. When is she going to fulfil the promise?

**Hon. Mrs. Caplan:** The member opposite would know that the issues he has raised are complex, as opposed to the simplistic approach he has attempted to paint in the Legislature today, and we believe that they are best resolved through the negotiation process.

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#### WORKERS' COMPENSATION BOARD

**Mr. Owen:** I have a question for the Minister of Labour. Since becoming an MPP, I have probably had more complaints in the area of the Workers' Compensation Board from injured workers than any other area. They favour and speak well of the workers' advisers, but say they are overworked and that there is a long backlog. They complain that their mail goes unanswered, that their telephone calls are not returned and that doctors' reports are lost. I know this problem is not unique to this government. In my 30 years as a lawyer, I cannot think that they have ever been free of these complaints. I would like to ask the minister what he is proposing by way of changes so that we can give better service and better help to the injured workers.

**Hon. Mr. Sorbara:** I say to my friend the member for Simcoe Centre, welcome to the world of an MPP. All of us have, in the number of years we have been here, had clients within our own offices dealing with specific problems of workers, and the problems of injured workers in particular. My friend asked the question specifically with regard to the office of the worker adviser. Obviously from the tone of his question, he knows that problems have developed and there is somewhat of a backlog there. In his question he asked whether there were major changes being considered.

At this point, we are doing a number of things, including adding additional staff in areas where there is very significant pressure on the office of



the worker adviser and, in addition, reviewing the way in which those offices are handling cases to ensure they are being dealt with as expeditiously as possible. But the real answer is in reforms within legislation covering the Workers' Compensation Board so that the injured worker does not have such a severe hurdle to get over before resolving his claim.

**Mr. Owen:** In the list of complaints that I receive from the injured workers is the Downsview hospital. When the people from our area have to go to this hospital, they have to be hospitalized or have a hotel, which is not usually available. It means they are removed from their families, their children, their wives or their parents. What is being considered by the government simply to eliminate the Downsview hospital and try to look to the local hospitals, the local doctors and the local specialists to try to provide the service which has been complained about for years?

**Hon. Mr. Sorbara:** The question of the Downsview rehabilitation centre was the subject of a rather thorough study by Vickery Stoughton some many months ago. My friend will know and he will hear, if the official opposition stays quiet enough so that I can answer his question, that currently there are active discussions going on with the Ministry of Health, between my own ministry and the Workers' Compensation Board, as to certain proposals contained within that study, including the transfer of the facility to the Ministry of Health. But there are services within the Downsview rehabilitation centre which are unique to the province, delivered in a way that cannot now be provided and is not available anywhere else in the province. There are a number of problems identified by the report and those are being dealt with currently.

I cannot tell my friend that we have the ultimate resolution or we have a conclusive answer, but discussions are going on with the Ministry of Health and we are looking at a number of options, pursuant to our objective for much earlier intervention for physical—

**Mr. Speaker:** Order. That is fine.

#### ASSISTANCE TO FARMERS

**Mr. Wildman:** I have a question for the Minister of Agriculture and Food regarding the farm debt crisis. In view of the fact that a total of 11,203 Ontario farm operations, or 28 per cent of all Ontario farms, were either insolvent or experiencing serious cash flow difficulties as of the beginning of this year, and approximately 9,400 of these were in arrears of their debt

repayments, and in view of the fact that other provinces provide long-term credit for farmers, will the government change its position and accept the advice of the Ontario Federation of Agriculture to develop an integrated financial assistance package for agriculture in this province and consider buying out the Ontario loan portfolio of the Farm Credit Corp.?

**Hon. Mr. Riddell:** First of all, let me tell the member that the Ontario loan portfolio of the Farm Credit Corp. is not for sale. If one is going to buy something, it has to be for sale. It is not for sale. It is as simple as that.

Second, for the two and a half years that we have formed the government, we have provided all kinds of financial assistance to the farmers. I could just mention the Ontario family farm interest rate reduction program, the guaranteed operating capital loans program, the land stewardship program and the Ontario Farm-Start program for beginning farmers. I could go on and on and name all the programs we have in place to help the farmers with the financial problems they have today.

**Mr. Wildman:** No one disputes that the OFFIRR program, for instance, is a good program, but it certainly does not meet the need. I think the minister should admit that, rather than making the kinds of comments he made just now.

Will the government, as requested by the Ontario Federation of Agriculture, examine the feasibility of providing financial restructuring assistance to otherwise viable farm operations where there is a mismatch between debt service requirements and capacity?

**Hon. Mr. Riddell:** It has always been my feeling that the federal government has the responsibility, through the Farm Credit Corp., to provide long-term credit for farmers. We did have a long-term credit program in this province at one time, the junior farmer establishment program. Then the Farm Credit Corp. came into being and the junior farmer program was phased out because we did not see the need to duplicate efforts in two credit agencies.

What we have been doing is putting pressure on the federal government to change the role of the Farm Credit Corp. whereby it makes more credit available to farmers, credit at interest rates which are fixed and interest rates which the farmers can cope with.

We have had those recommendations before the federal government for a year and a half now and we feel it is up to the federal government to change the role of the Farm Credit Corp. so that farmers can rely on a source of long-term credit.



## TRADE WITH UNITED STATES

**Mr. Brandt:** I have a question for the Premier. The question relates to an announcement that was made within the last short while with respect to the seventh province that has indicated it is going to support a freer trade agreement with the United States.

Premier McKenna of New Brunswick has now come on side and he indicates there are three provisos for his support. One is that regional subsidies not be affected; second, that the omnibus trade bill not include Canada; and third, if there are any workers who are disfranchised from their positions as a result of the changes in employment patterns in Canada, in his province particularly, he wants assistance for those workers.

What is the Premier's response to the seven Premiers now, who are attempting to build a stronger Canada through a freer trade agreement with the United States?

**Hon. Mr. Peterson:** I am aware of Premier McKenna's position. I had an opportunity to chat with him today. The member will note that his conditional acceptance is a very tentative one. It is dependent upon the omnibus trade bill not applying to Canada. I can tell members, on the basis of advice that we have at the moment, the omnibus trade bill does apply to Canada.

If there is some change over the next little while, obviously that would make it more attractive if the omnibus trade bill does not apply to us; but the member will notice it is a conditional approval.

Also, he talked about adjustment assistance. So far we have had very conflicting signals from Ottawa on that question. On one hand, we hear from Mr. Bouchard we are going to lose 500,000 jobs as a result of it. The Prime Minister says there will be massive assistance for readjustment for those people who lose their jobs as a result of it. Then Mr. Wilson the next day says there will not.

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My honourable friend must have the same problem I have of whom to believe. What is the real situation with respect to adjustments? He is obviously worried about the food processing industry and a number of others and the ongoing question of regional assistance, which may well be negotiated away over the next five years.

The member will notice that is a tentative approval. All those things, if the conditions are met, would make it more attractive not only for New Brunswick but also for other provinces.

There is no very clear indication at all on that, and I do not think one can assume, just because in general the member favours the theory, that those conditions are going to be met.

**Mr. Brandt:** It is sad to hear the Premier talk about the fact that these premiers are indicating some kind of support in principle. They are very committed to the principle of improving access to American markets, which we are so dependent upon. We now have Atlantic Canada, Quebec, and western Canada, with the exception of one province, virtually unanimous in favour of an agreement which the Premier continues to try to pick holes in.

Admittedly, it is an agreement which is not without flaws, not without weaknesses, not without tradeoffs, but it is an agreement—

Interjection.

**Mr. Brandt:** I said that for a very simple reason. I recognize, as all members should, that in every agreement you have to negotiate a tradeoff with your trading partner; you have to give up something to get something. When will Ontario get on side, join the majority of the provincial premiers, negotiate, if necessary, with the federal government to improve the deal, which I believe can be done, and get on with the job of nation-building?

**Hon. Mr. Peterson:** I want to make one preliminary point, if I may. Even though Nova Scotia's position is not exactly clear, we assume it is going to support the deal. There are a lot of conversations going on between the premiers and the federal government with respect to their special circumstances, as my honourable friend will know, but it is not a regional debate in the sense that there is one western province, one central Canadian province and one eastern province that take the same position on this matter.

My friend stands in this House and says that the deal is flawed, that the deal has got lots of holes in it and that we did not get a particularly good deal; then my friend stands in the House and says we can change the deal. Why does he not stand up and say how he would change the deal and make it better? Why does he not stand up—

**Mr. Brandt:** All right. You want me to stand up right now and tell you how to change the deal.

**Mr. Speaker:** Order.

**Hon. Mr. Peterson:** I can say to my honourable friend, absolutely, we have not achieved—

**Mr. Brandt:** You are the only one saying that. No one else is saying that.



**Hon. Mr. Peterson:** I will give the member an opportunity in a moment. We have not achieved the thing he thought we achieved, that is, secure access into the United States. I would commend the deal to my honourable friend as good reading. I think he should take more of a briefing on this than just listening to the Prime Minister. He should talk to the experts and the lawyers.

He will find we have not bought one bit of protection from the so-called US protectionist legislation, and that is the reality. They have enshrined US protectionist law against us; we have bought into the process. So we have not achieved what my friend thinks we have achieved. It is not easy—

**Mr. Brandt:** You are isolating Ontario. There is a price to be paid for this. I tell you that is what you are doing.

Interjections.

**Mr. Speaker:** Order. I cannot hear a thing. There are a number of other members who would like to ask questions. New question, the member for Brampton South.

#### CORRECTIONAL INSTITUTIONS

**Mr. Callahan:** My question is for the Minister of Correctional Services. The minister recently made an announcement in the House indicating that there will be increased facilities to look into the question of abuse of alcohol and drugs and psychiatric problems. Recognizing that a large majority, if not all cases, particularly of violence, revolve around the abuse of drugs or alcohol or are a result of a person being unfortunate enough to suffer from a psychiatric disorder, I am very pleased as well to see that there is an increase in this facility at the Vanier Centre for Women in Brampton.

In the light of these programs, can the minister tell the House how much money has been committed to this increase in these services and also who the staffing people are who will be involved in it?

**Hon. Mr. Ramsay:** I will be quite happy to answer the honourable member's question. The annual operating budget for the rehabilitation and treatment centre in the Vanier Centre for Women in Brampton will be \$600,000 a year. Staffing increases will start in January with the hiring of a psychometrist, a psychiatrist and social workers, plus a fee-for-service psychiatrist.

**Mr. Callahan:** An additional difficulty that has arisen over the years is that when a judge, particularly in the case of somebody with a psychiatric disorder, wishes to send that person

to one of these facilities, it is very often necessary to determine whether there is a bed available for the person in custody. The process of the former government, which was one of inactivity, resulted in many people spending days or perhaps weeks in custody until it could be determined whether a bed was available in the facility in order to have the person examined.

I would like to ask the minister, recognizing the technology we have today in terms of computer terminals and the fact that most, if not all, of our provincial courts have terminals on line, would it be possible or would he undertake to look into the question of whether bed availability could be made available on these computer terminals to avoid prisoners being held in custody?

**Hon. Mr. Ramsay:** I think that is an excellent question and an excellent proposal by the member for Brampton South. I will be quite happy to look into that and possibly will be quite happy some day to make an announcement of some sort of program like that.

#### HOUSING FOR THE DISABLED

**Mr. Allen:** I have a question for the Minister of Housing. There seems now to be considerable doubt whether the minister will meet her objectives with regard to affordable housing, with severe impact on housing for the disabled. If she looks closely at the Ontario home renewal program statistics for the last year of the Tory regime and at her own, she will discover that the available funds for the disabled have exactly plateaued.

If the minister looks at the program she was asked about by my colleague the member for Oshawa (Mr. Breaugh), Project 3000, we note quite clearly that her own answer did not disagree with the conclusion that this program was reduced to 20 per cent of its former self. We also know her ministry is one of the major roadblocks in the proclamation of the right-to-reasonable-accommodation section of the Ontario Human Rights Code as amended last December. That has been in the hands of her ministry and several others for the last 12 months.

Does that not suggest this is all a very unfortunate commentary upon the commitment and priority in her ministry for housing for the disabled?

**Hon. Ms. Hošek:** The commitment of the Ministry of Housing, and in particular my commitment, to increasing housing for the disabled is very real. I want the member to know that under Project 3000 and under Supportive



Community Living that commitment remains and is moving quickly. Under support for the disabled, we have increased the allocation so that those people who currently have asked for funds under the disabled housing program will be getting the support they have asked for.

**Mr. Allen:** Those are very brave words. If the minister has the time, I would like her to table some comparisons and some real statistics on the question, because it is quite obvious from what has happened with respect to the question my colleague asked that even though she is continuing a program, she has wiped it out to 20 per cent of its former self. She really has. There is no question about that.

The minister must be aware that the most valuable tool in the hands of the disabled with respect to accessing accommodation will be the right to reasonable accommodation in their hands to wield in the marketplace. That will produce infinitely more results than all the minister's programs currently in place put together. When is she going to overcome the roadblock in her ministry and get this section of the act proclaimed so that the disabled can have the housing and services they need?

**Hon. Ms. Hošek:** The Minister without Portfolio responsible for disabled persons (Mr. Mancini) announced in the House a few days ago part of the commitment we have to increasing housing for the disabled. Supportive Community Living, Project 3000 and our own project for housing for the disabled also indicate the degree of our commitment. We will of course be looking at the right to reasonable accommodation very seriously.

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#### NORTHERN ONTARIO

**Mr. Harris:** I wonder if the Minister of Northern Development could tell us when he plans to implement the promise that was made in Sudbury in March 1985, "The Liberal government will provide \$20 million to finance a \$100-per-household northern Ontario tax credit." Nothing in 1985, nothing in 1986, and 1987 is just about finished; could the minister tell us when he plans to live up to that commitment?

**L'hon. M. Fontaine:** Premièrement, je tiens à remercier l'honorable député de Nipissing de sa question.

**M. Villeneuve:** Bientôt?

**L'hon. M. Fontaine:** Non, non. Voyons!

On this question, I think it was a promise made in 1985, as the member says, but we have decided to go with other kinds of tax credits.

By the way, we decided to put some money into roads, and we decided to look into the heritage fund that we are going to put \$30 million into. This is the way we went. I think this promise was not repeated in 1986 or 1987. Was it 1985? Last year, we decided to use that money instead for the roads.

**Mr. Harris:** It is pretty clear. If the government only makes the promise once or twice, then it does not count. It is only if they keep repeating the promise that they have to live up to it. It is obvious that one is down the tubes. Not only has the government not lived up to it, it does not plan to.

Perhaps the minister could respond to the commitment to equalize gasoline prices that was made across northern Ontario in 1985 as well. Since that time, we have had a study that says yes, on average, they are four cents a litre higher and no result—well, it was a government study that said that. Can the minister tell us when he plans to live up to the commitment to equalize gasoline prices in northern Ontario?

**L'hon. M. Fontaine:** Premièrement, je n'ai aucune remontrance à prendre du député de Nipissing sur les promesses du gouvernement.

I have lived in northern Ontario for at least 53 years. The member's government made promises all its life and it did nothing for northern Ontario. It could not even move two little jobs from the Whitney Block, the safety of the mines—

**An hon. member:** Elevators.

**Hon. Mr. Fontaine:** —the elevators, and the safety on the cables was still being done there. The member for Cochrane South (Mr. Pope) tried twice through orders in council to move those little jobs to the north. They could not. So I do not have to take anything from them.

Deuxièmement, je vais lui répondre sur la question du gaz—et l'autre gars là-bas qui parle pour rien dire, ferme-la donc. Attends une minute, là.

**Mr. Jackson:** How much was the forest management agreement?

**Hon. Mr. Fontaine:** Never mind that. Just do not talk about that.

Deuxièmement, sur l'affaire de la gazoline, la différence n'est plus que \$0.04 du litre. Avec les études qui ont été faites durant l'année, ça diminue. Dans l'été passé, c'était égal à celui à Ottawa et à Toronto.

**M. Villeneuve:** Vous êtes d'accord avec ça?

**L'hon. M. Fontaine:** Oui.

**M. Villeneuve:** D'accord?



**L'hon. M. Fontaine:** De temps en temps, dans mon propre comté, la différence peut être de \$0.03; ils ont augmenté le prix durant le dernier mois. Mais en moyenne, sur la Route 69, ou à North Bay, à Sudbury, à Thunder Bay, c'est le même prix qu'à Ottawa et à Toronto, presque.

**Mr. Speaker:** The time for oral questions has expired—thank goodness.

If any members want to have private conversations, I hope they will keep it quiet so the member for St. Catharines-Brock may present his petition.

## PETITIONS

### NATUROPATHY

**Mr. Dietsch:** I wish to table a petition which reads:

"To His Honour the Lieutenant Governor and the Legislative Assembly of the province of Ontario:

"We, the undersigned, petition the Ontario Legislature to call on the government to introduce legislation that would guarantee naturopaths the right to practise their art and science to the fullest without prejudice or harassment."

This petition is signed by 80 people.

### CANADIAN GYPSUM CO.

**Mr. B. Rae:** I wish to table in the House a petition from my constituency from the area surrounding the Canadian Gypsum Co. plant in my riding.

"To His Honour the Lieutenant Governor and the Legislative Assembly of the province of Ontario:

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"Whereas the Canadian Gypsum Co. of 21 Oak Street in the city of York has been the recipient of complaints from residents in Weston, Etobicoke, and North York regarding emissions from its plant, and whereas the emissions increased after the installation of another stack in October 1986. These emissions, night, day and most weekends are an environmental and health concern to residents in the area.

"Whereas government actions in the Ministry of the Environment 424-3000 complaint line have been ineffective in dealing with this matter;

"We, the undersigned, do hereby demand that the Canadian Gypsum Co. at 21 Oak Street in the city of York immediately comply with the Environmental Protection Act, Revised Statutes of Ontario 1980;

"And that the Ontario government, through the Ministry of the Environment, immediately investigate all emissions from the Canadian Gypsum Co. and take necessary steps in enforcing the air quality standards set out under the Environmental Protection Act;

"And that the Ministry of the Environment take inventory of all chemicals and other substances used, manufactured, or the result of a byproduct in the plant, and further ensure that the residents have immediate access to this information."

It is signed by well over 900 residents in the northern part of my constituency.

## REPORT BY COMMITTEE

### STANDING COMMITTEE ON REGULATIONS AND PRIVATE BILLS

Mr. Fleet from the standing committee on regulations and private bills presented the following report and moved its adoption:

Your committee begs to report the following bills without amendment:

Bill Pr21, An Act respecting the Association of Registered Wood Energy Technicians of Ontario;

Bill Pr23, An Act to revive Sudbury Cardio-Thoracic Foundation;

Bill Pr26, An Act to revive 353583 Ontario Limited;

Bill Pr54, An Act to revive the Toronto Ski Club;

Bill Pr70, An Act to revive Community Youth Programs Incorporated.

Your committee begs to report the following bill as amended:

Bill Pr8, An Act respecting the City of Toronto.

Motion agreed to.

## INTRODUCTION OF BILLS

### EDUCATION STATUTE LAW AMENDMENT ACT

Hon. Mr. Ward moved first reading of Bill 76, An Act to amend the Education Act and Certain Other Acts related to Education.

Motion agreed to.

### MUNICIPAL ELECTIONS STATUTE LAW AMENDMENT ACT

Hon. Mr. Eakins moved first reading of Bill 77, An Act to amend the Municipal Elections Act and the Assessment Act.

Motion agreed to.

**Hon. Mr. Eakins:** The purpose of this bill is to implement a new voters' identification system in time for the November 1988 local government elections. This new system will increase the accuracy and completeness of voters' lists and will ensure that minority English- and French-language electors are properly identified.

1520

#### FARM IMPLEMENTS ACT

Hon. Mr. Riddell moved first reading of Bill 78, An Act respecting the Sale of Farm Implements.

Motion agreed to.

**Hon. Mr. Riddell:** I made my comments earlier on this bill, and judging from the response of my opposition critics, I think we could give this bill second and third readings right away.

**Mr. Speaker:** Are you asking for unanimous consent? No? OK.

#### LEGISLATIVE ASSEMBLY AMENDMENT ACT

Hon. Mr. Conway moved first reading of Bill 79, An Act to amend the Legislative Assembly Act.

Motion agreed to.

**Hon. Mr. Conway:** The purpose of this bill is to increase indemnities and allowances under this act by 4.4 per cent.

#### EXECUTIVE COUNCIL AMENDMENT ACT

Hon. Mr. Conway moved first reading of Bill 80, An Act to amend the Executive Council Act.

Motion agreed to.

**Hon. Mr. Conway:** The purpose of this bill is to increase salaries under this act by 4.4 per cent.

#### ELECTION FINANCES AMENDMENT ACT

Hon. Mr. Conway moved first reading of Bill 81, An Act to amend the Election Finances Act.

Motion agreed to.

**Hon. Mr. Conway:** Very briefly, it is proposed under this amendment act that section 45 of the Election Finances Act, 1986, be repealed. This section relates to the filing of financial information whenever the chief financial officer of a political party resigns.

#### ENERGY EFFICIENCY ACT

Hon. Mr. Conway moved, on behalf of Hon. Mr. Wong, first reading of Bill 82, An Act respecting Energy Efficiency.

Motion agreed to.

**Hon. Mr. Conway:** The purpose of this act is to enable the government to introduce regulations to ensure that specified products sold in Ontario are tested for their ability to use energy efficiently, using acceptable and recognized procedures. Furthermore, the act will allow the government to introduce, as necessary, minimum energy efficiency standards for defined products such as refrigerators, freezers, clothes dryers and home heating equipment.

#### POLLS

**Hon. Mr. Conway:** Before orders of the day, I have laid on the table a voluminous collection representing two public opinion polls, one done for the Ministry of Industry, Trade and Technology concerning the free trade question and a second done for the former Ministry of Citizenship and Culture.

#### ORDERS OF THE DAY

##### TRADE WITH UNITED STATES

(continued)

Resuming the adjourned debate on the amendment to government motion 8 on the proposed trade agreement between Canada and the United States.

**Mr. Speaker:** Does the member for Sarnia have any further comments?

**Mr. Brandt:** As I was saying in my introductory remarks of yesterday in regard to the free trade question, I believe even more so today that it is absolutely imperative that the government of Ontario re-evaluate its position as it relates to this particular question not only in the interest of Ontario but in the interest as well of a strong and united Canada.

I used the phrase in a question to the Premier (Mr. Peterson) earlier today in question period about the importance of nation-building. It is interesting that when the Honourable John Turner was speaking out in the Atlantic provinces and made some comment to the effect that he was in opposition to a trade agreement and that he in fact was supporting the status quo, as it were, the response from a great number of those residents of the eastern part of this particular country was a very simple and a very direct one: "Do you recognize the fact that we are experiencing a 15 to 20 per cent unemployment rate in our provinces?" They do not happen to have an economy that is as strong and as buoyant as we enjoy here in Ontario.



They want to have the opportunities to expand their trade. They want to have an opportunity to enhance the amount of product they can sell to the United States market. They recognize full well that cannot be accomplished in the present environment and with the rules as they stand relating to trading relationships between our countries. The only way that can be accomplished is with a more formalized agreement that sets in place certain principles which indicate how that trade is going to be carried out in the interests of both countries.

The Atlantic provinces recognize that; the western provinces recognize that. Quebec recognizes that is essential. Fully seven out of the 10 provinces now—with Premier McKenna coming on stream—have indicated their support for this deal. Of the only provinces that are not on side, one province is philosophically opposed because of its leadership and its leaning towards a more socialistic kind of administration, that being the province under Premier Pawley: Manitoba. I can understand that one. I do not agree with them.

I certainly do not support what Mr. Pawley is saying, even though a couple of years ago, I might add, Mr. Pawley was a free-trader and indicated that he would favour some kind of trade deal with the United States. Now Mr. Pawley has changed his tune, obviously as a result of some influence that may have been brought to bear by members of his party on the position he took a couple of years ago.

The other province is Prince Edward Island.

We have the largest of all provinces, the one that has benefited the most of any province in this entire country as a result of having a formalized trade agreement with our American trading partners. Ontario should stand back and consider the kinds of benefits we have realized or gained—namely, billions of dollars of investment in our province and thousands upon thousands of jobs—which are directly attributable to the Canada-US auto pact.

Those members who have taken a close look at the auto pact and related that to the trade agreement we are debating and discussing in this House today may say there is a difference, the difference being that under the auto pact we have managed trade. We have a very specific series of percentages built into the equations as they relate to the auto pact and that makes the difference between a free trade pact and the auto pact. I guess there is some justification for that argument, to a point.

1530

However, there is another argument that I believe can be put forward which is equally as valid, and it is that when you see the major trading countries in the world, all the major industrial nations forming into trading blocs, there appears to be more than just passing interest on the part of those who want to improve their economies by entering into a formalized agreement, with some reasonable checks and balances built into the agreement which will allow for enhanced or improved trade between two sovereign nations, each nation retaining its cultural identity, its sovereignty and its social programs.

All of those things are not on the table and will be retained. In fact, all of those things according to certain studies—one being the C. D. Howe Institute study—indicate that we will strengthen our sovereignty and strengthen our ability to deliver social programs as a direct result of having the financial strength, the financial wherewithal to afford and pay for those social programs.

That is the reason we have a European Community and that is the reason Canada and the United States are looking to form an agreement, not dissimilar to but certainly more expansive and more elaborate than the agreement that was entered into between Ireland and Great Britain some 20 years ago and the agreements between New Zealand and Australia. These are all similar agreements based on geographic proximity of one country to another where there is a certain degree of interdependence.

If one were to argue that we do not have a degree of interdependence between Canada and the United States, then one would be absolutely uninformed or misinformed about the trade figures. I appreciate the Minister of Industry, Trade and Technology (Mr. Kwinter) being in the House this afternoon, because I can recall one of the initiatives when I sat in that ministry and attempted to do the job he is doing and carry out the responsibilities that called for.

I can recall saying to my ministry officials, "We should take the initiative to try to reduce our dependence on American trade." I too have some fears about 90 per cent of all Ontario sales going to one customer. I do not think that is healthy. I would prefer that was not the case. But the reality is we share a continent. We happen to share a similar culture in many respects. We share a language to a great extent, with the exception of our friends in Quebec who have the other official language of our country.

We share a great number of things with the United States, one of which is that we have had a



pretty good trading relationship up until now, not without its aggravations and not without its problems, but it has been a relatively sound trading relationship built on the understanding of both countries that we are mature nations and that we trade in a fair and equitable fashion to the extent we can.

This trading arrangement we are proposing under a free trade pact would improve that trade. That is the reason other countries have entered into a trade pact as well. I say to the members of the Liberal Party who have indicated they are adamantly opposed to this deal that it is interesting to note that nowhere in the world to date has a country which has entered into a trade pact with another country withdrawn.

The experience of the European common market is a very interesting one that I bring to their attention. Very simply, what has happened with the European common market is that it formed through a series of countries that initially joined in a trading arrangement, which ultimately resulted in the addition of Great Britain, Spain and Portugal, and more recently, the request on the part of Greece that it too wishes to join the European common market.

Are they all nation states that have no interest in their sovereignty or their culture or the preservation of their unique identity, because each and every one of them has a unique identity in a much smaller land mass, in closer proximity to all of these other influences around them? Some of the nations are much larger, some of them obviously much smaller, but they have banded together in an inward-looking self-interest which allows them to improve on the economies of the respective partner states that are involved in that particular assembly, and it makes sense for them.

But by reflection, and this is the point I want to make with the Minister of Industry, Trade and Technology, what I found that was very frustrating to me as a minister, and I am sure that in those moments of contemplation when he is sitting alone in his office thinking about the problems of the world, I am sure that he too sits back and says to himself: "How do we penetrate those markets? How do we find a way to get Canadian, or more particularly Ontarian, goods and services in to those foreign markets?"

What you find, increasingly, are high tariff walls, nontariff barriers or protectionism of one form or another, which undercuts any opportunity that we might have, irrespective of the quality of our product or the price of our product. We simply cannot penetrate those markets.

Let me tell the minister about my experience, being one who was committed to a multilateral trade arrangement rather than a bilateral trade deal to the exclusion of any multilateral activities. This is what happened. I was able to take an 88 per cent dependency on the American market and drive it all the way down to 90 per cent over the course of time that I was there, and yes, the members heard me correctly. In fact, with all of the efforts, with all of the enthusiasm that I could bring to the job, all I could do was find that we had even more dependency upon our American trading partners.

The minister might say, "Brandt failed at that particular exercise." I would say to the current minister, if that would be his response to the efforts that I made as it relates to trying to improve those figures, let me simply suggest that figure of 90 per cent remains today, as the minister well knows. I do not fault the minister for that. I place no blame on him whatever, because I know the difficulties, and I have to tell him that we are the only industrial nation in the world that does not trade within a population trading block of a minimum of 100,000 people, with the singular exception of Australia.

**An hon. member:** One hundred thousand?

**Mr. Brandt:** I am sorry, 100 million people.

Our 25-million domestic market is simply insufficient to give us the kind of base that we require to be able to sell competitively in certain goods and products that we may wish to be able to market in other parts of the world. That happens to be the reality of the circumstances that we find ourselves in.

What truly bothers me, however, about the position that we find ourselves in and the debate that we are involved in today, is the fact that Ontario is on the outside looking in, as it relates to this trading proposal that is being made by the federal government. Here we have a Liberal Premier in Quebec saying the following, as it relates to trade and the matter that I am discussing with members at the present time. I am quoting directly from the speech that Premier Bourassa made, although he delivered the speech in French. I will take the liberty of using the translated version as accurately as I can in the other official language. Premier Bourassa said at that time:

"A while ago, the Prime Minister of Canada mentioned that Canada is one of the countries most dependent on international trade; some 30 per cent of our activity. This is a relatively high percentage among the Organization for Economic Co-operation and Development countries.



Some 20 countries within the OECD are already members of either a common market or a free trade zone. Turkey is another OECD country wishing to enter the common market. Two of them have signed an agreement, Canada and the United States. Therefore, of the 24 countries belonging to the OECD, 24 countries which trade mainly with us, which are comparable to us, only one is not interested in belonging to a free trade zone or a common market and that is Japan, for very understandable geographic and economic reasons.

"Why then would Canada choose isolation? Why would it choose isolation, contrary to most, to almost all of its trading partners, when it still has a very high rate of unemployment, a relatively limited market of only 25 million people and especially when it is at the gateway of the most important or one of the most important economic markets in the world?"

**1540**

The points that Premier Bourassa made I endorse entirely: the size of our market and the fact that the world is becoming increasingly competitive. The world in fact is changing very rapidly around us, and there are some who sit back very comfortably and would suggest there is such a thing as the status quo that we can fall back on.

Oh yes, I know and I have heard from some Liberal members: "We're not against a trade deal. We're not against freer trade. We're not against a multilateral trading arrangement with other countries. What we're against is this deal. This is a bad deal." That is what they have been saying. "This deal does not incorporate everything we want."

How naïve can you get? Those members who have been in business, the Minister of Industry, Trade and Technology, his very fine and capable assistant and other members who have been in the world of free enterprise some number of years before they came into this House know full well there are few deals that are ever put together where you get everything you want. There are tradeoffs, and yes, deals are flawed. Yes, deals perhaps have some weaknesses.

I admitted during the course of my question to the Premier today that, sure, I would have liked to have had a better deal in some fashion than the one that was negotiated. But this deal is sufficiently strong and contains a sufficient number of positive elements that I encourage him to review the deal again, as have Premier McKenna and British Columbia, Alberta, Saskatchewan and Quebec, Premier Bourassa, and

all of the east coast provinces with the singular exception now of Prince Edward Island.

When he reviews that objectively and with an open mind, I have every confidence that many members will come to the same conclusion I have come to, that conclusion being very simply that we gain far more from this deal than we lose and that this deal will benefit Ontario and will benefit Canada very substantially.

I have heard it said: "There is a flawed dispute settlement mechanism. It is not as perfect as we would like. What we would like is unfettered, guaranteed access to the American market." We have heard that before from certain spokesmen, one of whom is the Premier of this province. I am paraphrasing him, to be fair, in indicating the kinds of responses he has been giving to me on some of the questions I have raised.

At the selfsame time, the Premier will say, "But we want to be able to retain our ability to overcome regional disparities. We want to be able to provide subsidies for eastern Ontario," such as the ones contained in the minister's most recent book, where he takes certain slow-growth parts of the province, such as eastern Ontario and northern Ontario, and he says to the citizens of those areas: "We're going to provide some special assistance for you. We're going to do something over and above what we're going to do for the more affluent areas of the province."

I agree, and under this deal he can still do it. He still may provide certain subsidies or incentive programs for areas that have a higher rate of unemployment or for areas that have a slower level of economic growth.

**Hon. Mr. Kwinter:** Maybe.

**Mr. Brandt:** It is not maybe, it is factual. The minister says, "Maybe." All those subsidies and those incentives are subject to review to make sure that they are not in fact unfairly subsidizing a product in a way that will be injurious to a similar product on the American side of the border. In other words, let us put it in very clear terms: If Canada wants to cheat, you will be trapped under the dispute settlement mechanism. If, however, Canada wants to play the game fairly, and I am sure we do and I am sure the minister would be very sensitive in the way he applied certain grants or subsidies, then the dispute settlement mechanism, as I read it and as I understand it, will not stop you from attempting to assist certain slow-growth parts of the province, and that holds true for the entire country. It holds true as well for federal assistance programs.

So I can understand Premier McKenna saying today, when he gave his stamp of approval, his



imprimatur, as it were, to this particular deal, that he had three caveats he wanted to put forward to make absolutely certain that his province was covered off and that it was a secure arrangement as far as he was personally concerned. So he said: "We want the retention of those regional grants to overcome regional disparities. We want to be sure we are not included in the omnibus bill." The Premier says we will be, but let us find out, because I have concerns about the omnibus trade bill as well, as do Conservative members and other members of the House at the federal level. The third one was the problem of any employment disruption that might occur, that there be some assistance available if there are industries that are harmed in some way, even to some limited degree, by our entering into a trading arrangement.

That is what Premier McKenna said, because he wants to move ahead and look forward, not look backward. He wants to move beyond the position we are in today, because spokesman after spokesman has said very clearly that we do not have the option of the status quo. We cannot simply sit here and take the attitude that because we have a very substantial surplus in trade with the United States at the moment, it is going to go on ad infinitum, because it is not.

We are going to get blind-sided on the auto pact or we are going to get blind-sided by increases in tariffs. We are going to get blind-sided by a series of protectionist measures that can be brought forward by the United States if, in fact, we do not take some steps, through this agreement or through some other mechanism, to make sure that we will continue to have the kind of access to the American market which is so absolutely crucial to Ontario's economic wellbeing and to Canada's future.

Let us put it into very specific terms. Forty per cent of the jobs that we have in this province, or close to that figure—I would not argue one or two per cent with the minister—close to 40 per cent of the jobs we have in this province are virtually directly dependent upon our continuing the present level of trade that we are experiencing. If there is a slowdown in trade, if certain of our products are considered to be inappropriate for shipment into that market to the south of us, then that directly reflects upon the employment opportunities in this province. There just simply is no other decision one can come to as it relates to that fact. It is a reality that we all have to accept.

Let me talk about the third option for a moment, if I might, the third option being a

multilateral trade agreement with other countries. I made brief reference to the fact that because the world is forming into trading blocs, it makes it increasingly difficult, as our agricultural community knows when it tries to sell agricultural products into the European common market, as our lumber industry knows when we try to sell lumber or pulp and paper into that market—

**Mr. Dietsch:** Tell us where our wines are at under this deal.

**Mr. Brandt:** We can get to wines. Could the member tell us where the wines might be, when he has an opportunity to speak, as it relates to the General Agreement on Tariffs and Trade decision? Now, perhaps he would like to reflect on the decision, which is made totally separate and apart from a free trade arrangement, which would also directly impact on the wine industry.

**1550**

I stand before the House as one who at a very early stage called for assistance to the wine industry, and to the grape-growing industry in Niagara particularly, because I knew there would be some disruptions in that market, as there will be in the Okanagan Valley in British Columbia. They recognize as well that there are some downsides to the deal.

There is no question that the wine industry was going to have some problems under the GATT decision.

Interjection.

**Mr. Brandt:** I did not say that we do away with that industry. The member said, "Do away with the industry."

**Mr. Dietsch:** No, I said you will give it away

**Mr. Brandt:** I am saying that industry should be given some assistance and that industry should in fact have the opportunity to continue to grow and prosper, both under a free trade deal or in response to the GATT decision.

Let me get on with the third option, which I think is important here for a moment.

Again quoting Premier Bourassa from his speech at the first minister's conference: "Another argument put forward by the opponents of the free trade deal is that we should be able to consider a third option. We should try to develop trade with other partners, with other continents."

But this is exactly what Canada has tried to do for the last 30 years under the Diefenbaker and Trudeau governments. I believe that trend even started under Mr. St. Laurent's administration. For the past 30 years, we have tried to develop this third option, with what results?



We still send approximately three quarters of all our exports to the United States in spite of all the efforts which have been made by various governments to try to utilize this third option. The reality is, we have simply failed in our attempts to disperse our dependency away from the United States and to disperse our products to other parts of the world.

That is why I applaud the efforts of the minister who has taken over a policy which was originally introduced by a former government, the name of which we shall not go into at the moment. A former government introduced a policy of trying to open up trade with China. I agree with that, because trade with China and that billion population that China contains is a tremendous opportunity if we can penetrate those markets. But it still represents a very small fraction of the total amount of trade that we are doing with the United States, as the government well knows.

Let us talk about investments for a moment. Again, I refer back to the comments of Premier Bourassa, because he has the province that is probably most comparable in its makeup, in its size, in its population and in its industrial diversification to the province of Ontario.

Premier Bourassa went on to say at the first ministers' conference that one of the reasons he supports the free trade agreement is the issue of investments. He said:

"The Prime Minister of Canada referred to a statement that I constantly make; namely, that it is better for us in Quebec, but also I believe in other provinces, to import capital rather than to export workers. The very nature of Canada, one of the largest natural resource countries in the world, the very nature of Canada explains and demands that we welcome investments; Canada, with a market of 25 million people, an immense territory and a level of youth unemployment which is still very high in all provinces and which could, for lack of investments, force our youth to leave the country, an exile which could be very costly to our future. We can subject these investments to all the controls, to all the necessary regulations, in order to eliminate the impact they could have on our cultural sovereignty or policies."

Again, what he is saying is that as it relates to the investment environment, we should be encouraging foreign investment and foreign capital into Canada, and again I agree. That opportunity will be enhanced, that opportunity will be expanded very dramatically as a result of

a trading arrangement that we would enter into with the United States of America.

I ask the government members, after having shared with them some of the comments of the Premier of Quebec, is the Premier of Quebec unpatriotic? Is the Premier of Quebec insensitive to the size of the American market and the potential for being overwhelmed by 250 million people in that country? Is the Premier of Quebec not concerned about the loss of control that his province would have as it relates to future programs, social and economic?

I say in response to all those questions that the answer is that certainly the Premier of Quebec is concerned and sensitive. I think he is being realistic about all those various considerations, but he has come to the conclusion that he will not lose his sovereignty, that the culture of Quebec will not be impeded or reduced in any way and that the economy of Quebec can still be controlled by Quebec.

Simply because we enter into an economic agreement does not mean you are less patriotic as a Canadian or that you are less concerned about this country. I took issue with—I am sorry he is not here today to hear me say this, but I think one of the less kind and probably uncalled for remarks that have been made in this House in this session was when the Premier of this province indicated I was acting as a spokesman for American interests or for the American government.

That is absolute nonsense. I was born in this province. I have lived in this province all my life. Because I happen to disagree with some of my honourable friends opposite as to the way in which this deal shall be entered into between our two countries makes me no less a Canadian than the Premier of this province, let me tell the members. I think it is uncalled for when we start to reduce this debate to that level of emotional argument and to that kind of name-calling. I believe it is the first time in my 49 years on this troubled earth of ours that anyone has ever suggested I speak for those other than the people who voted for me and supported me. I believe all members can say the same thing. I do not stand here as an apologist or spokesman on behalf of any foreign government or I would leave my seat and my place this very instant. I speak on behalf of the interests I feel can be best served in Ontario as a result of entering into a trade agreement.

I do not agree with those merchants of doom and gloom who suggest we are going to lose this control of our sovereignty, our culture and a whole host of other things as a result of entering



into a trade agreement. I say that very simply because if one looks at the experience elsewhere in the world—I know my friend opposite has some experience with West Germany. I was in West Germany just a couple of years ago. The culture, the language, the traditions and the heritage have not been subjected as a result of its proximity in its trading relationship with the government of France. They have not been reduced or injured in any fashion whatsoever.

The fact of the matter is that all those European common market countries have probably enhanced their standard of living, their quality of life and their sense of self-identity as a result of an economic pact which now is going to include well in excess of 300 million people when you bring all the nations in together. It is an economic pact that has worked to the mutual benefit of all the member countries.

Recall my earlier comments: Nobody over there has asked to come out of the deal. Nobody has said: "Let's take a look back and reflect on this terrible, dastardly deed we did when we entered into an agreement with these other countries. It has worked to our detriment and, therefore, we have to find a way to extricate ourselves from it. We have to find a way to remove ourselves from the influence of the European common market." In fact, the opposite has happened.

**Mr. Daigeler:** They didn't rush into those deals.

**Mr. Brandt:** They took a long time to negotiate. That is absolutely correct. The deals have been strengthened and improved, as have the trading relationships between those countries. It is interesting to note also, and I repeat myself, for which I ask the forgiveness of this House, that when I said earlier there has been a net addition of countries to that trading arrangement, that happens to be the reality.

**Mr. Villeneuve:** Hear, hear, and still growing.

1600

**Mr. Brandt:** My friend the member for Stormont, Dundas and Glengarry indicates to me that it is still growing. That happens to be the reality.

I remember the extensive debate that went on in Great Britain over whether Great Britain should join the European common market. Great Britain joined the European common market, as the members know, after a great deal of debate within that country. Guess what happened to one of our third options, namely, the trade we

experienced at that time with Great Britain? It went down dramatically because of the shift in terms of its trading relationships on the part of our mother country, Great Britain. Its focus, if you will, changed from Canada, from the Dominion and Commonwealth countries to a much closer linkage and a much closer relationship with continental Europe.

That was the decision England made and it has worked to the benefit of Great Britain. That has ultimately resulted, as we have already discussed, in a number of other countries wanting to join as well and become part of this very large trading bloc that has been so successful over the last many years.

I stand before the members to say again that the deal is good for Canada and good for Ontario. I say as well that I will encourage and support any initiatives on the part of the government in relation to multilateral activities because I believe in the General Agreement on Tariffs and Trade. We still will be a member of the GATT tribunals and the GATT organization. I believe GATT can serve a very important role in the expansion of our trade and in the reduction of tariffs over the years ahead, but GATT alone will not improve our trade as dramatically as will a trade agreement with the United States.

Let us take a look for a moment at what happened when a trading arrangement was turned around and the reverse happened from what I am suggesting should happen in relation to a trade agreement with the United States. Back in 1929 and the early 1930s, when we had the Great Depression, it is interesting to note what the countries did at that time in response to the collapse of the stock market and in response to what many of the countries of the world thought was—and it was—a tremendously devastating economic period for them.

There were a few moves they made that I want to share with the members. One of the things they did was to raise interest rates. One of the other things they did was to reduce government spending. One of the other things they did was to elevate tariff walls. In other words, they built up the level of protectionism to such a height that international trade virtually came to a standstill.

When the United States did that, when it took those three steps and increased interest rates, reduced government spending and lifted those tariff walls, international trade slowed to a crawl and the countries of the world slowly, one by one, were thrown into the Great Depression of the 1930s.



Thankfully, we have learned a little bit from that. We experienced Black Monday a few weeks ago when there was a comparable collapse of the stock market, one that was very devastating and obviously very painful for those members who are wealthy enough to be in the market. Personally I do not happen to be in that position, so I watched with only passing interest as some of these things occurred. I felt the pain and agony that some did who had major investments. We all know that was a very devastating day, and the period to follow thereafter was very devastating as well, but the governments did not panic. Thankfully, the governments responded in such a way as to allow the economies to continue to move along in a relatively sound and predictable fashion.

We did not get an immediate reduction in government spending. We did not get an increase in interest rates. In fact, interest rates, in a very appropriate and well-planned way, were depressed to a certain extent, which was the opposite of what happened during the 1930s. The third thing they did not do is they did not move those tariff walls up. They did not increase the impediments to doing business with other countries. When the United States did that back in 1930, 20 or 25 other countries quickly followed suit. You know what happens when you enter into a type of reciprocity with your neighbour. If he does you harm, you do him harm. If he does you a favour, you are more inclined to do him a favour as well.

Reciprocity in the 1930s meant that because the United States raised its tariff walls, then other countries followed suit and raised tariff walls and, of course, the ultimate destruction and collapse of world economies followed immediately thereafter.

So I would ask the members to listen to this argument very carefully. If raising tariff walls is harmful and if it does damage to nations, then should not the reverse help nations and improve trade? Should not a reduction, a removal, an elimination of tariffs phased sensitively over a period of time, such as in this agreement, over a one- and a five- and a 10-year period, should not all of those things improve on the economic wellbeing of the member countries that are part and parcel of that particular trade pact? I would have to say yes.

Because one of the things that happens when you attempt to hurt another country, when you attempt to do some damage to another sovereign nation that is perhaps acting inappropriately in terms of human rights considerations or other

factors, is that you stop doing trade with them. That is what you do.

If you really want to do them damage you stop doing trade with them. You tell them, "We don't appreciate the way in which you are conducting yourselves as it relates either to apartheid policy or human rights conditions in your country, so we're not going to trade with you."

If that hurts a country, if that brings the economy of a country to its knees, then does it not follow that if you do the opposite you help that country? If you bring those tariff walls down, if you remove those barriers and those protectionist levers that every country has got at its disposal, if you can remove or eliminate those to the extent possible, you will in fact end up with a better situation for all of the participants. Does that not logically follow? I would suggest to you that it does.

We are entering a new era of trade, as I indicated. That new era of trade is going to require us in Ontario and in Canada to move very, very quickly to take advantage of the opportunities, but also to be very careful of the problems that will develop if, in fact, we find ourselves isolated as a tiny nation of 25 million people, attempting to do business in a world trading community where other nations are forming into these large trading blocs.

That is one of the arguments that I want to put before you this afternoon which I think is a valid one, and an argument which I would like you to take into consideration. That is part of the reason why we have a growing list of groups and organizations which I want to read into the record, all of which have indicated that they are in favour of this particular deal.

I mentioned a couple of these in the House the other day, but the list is far more expansive and far more lengthy than I shared with the members opposite in the days past.

We have, first, the Canadian Chamber of Commerce, the Automotive Industries Association of Canada, the Canadian Association of Equipment Distributors, the Canadian Agricultural Policy Alliance, the Canadian Chemical Producers' Association, the Canadian Construction Association, the Canadian Export Association, the Canadian Life and Health Insurance Association, the Canadian Petroleum Association, the Canadian Steel Service Centre Institute, the Financial Executives Institute of Canada, the Heating, Refrigerating and Air Conditioning Institute of Canada, the Investment Dealers Association of Canada, the International Business Council of Canada, the Mining Association



of Canada, the Motor Vehicle Manufacturers' Association, the Retail Council of Canada, the Tourism Industry Association of Canada, the Trust Companies Association of Canada, to mention but a few.

**1610**

One I have not mentioned yet, but would like to centre in on for just a few brief moments, is the Consumers' Association of Canada. It is interesting to note that the Consumers' Association of Canada has made the very correct observation that as a result of our being part of a larger trading market we will be able to achieve certain economies of scale which will reduce prices to consumers, perhaps not to the extent some have suggested—I have heard figures of \$1,000 or \$1,200 a year, something of that order—but I do believe a saving in the amount of a few hundred dollars a year will be realized by many consumers. That will result from prices going down.

Even the Treasurer's (Mr. R. F. Nixon's) own report, as my colleagues well know—we looked at that report and were somewhat amazed at the tremendous courage the author had in placing that report before the Treasurer when it said two very essential, important and interesting things would result from a trading arrangement. I think this is pretty devastating in terms of the argument the members opposite are trying to put forward that this is a bad deal. That report said two things that I feel they should keep in mind when they are making a decision as to how this province should go in relation to a trading arrangement.

It said wages would go up and prices would go down.

**Mr. Daigeler:** Marginally.

**Mr. Brandt:** My friend opposite says, "Marginally." If the report said prices would go up and wages would go down marginally, I would join hands with him in opposition to this deal, but that is not what it said. What it said was prices would go down and wages would go up. That is the way in which you improve the quality of life and the standard of living of the citizens whom each and every one of us in this room was elected to represent.

What we said to them in one way or another leading up to the decision they made on September 10 was, "Vote for me and I will make life better for you." We said that to people from all walks of life. "If you vote for me, we will try to secure your job. We will try to make sure you get a place to work. We will give your kids a better school to go to, a better educational system, a better health system. That is going to happen if you vote for me."

The only way they can do it, the only way they are capable of delivering on those campaign promises, is if ultimately they can get somewhat more cheaply things for their citizens and the people they represent, and if they can find a way to help them share in a better quality of life by having their wages go up. The Treasurer's report was damning evidence that I am sure the Minister of Industry, Trade and Technology felt somewhat uncomfortable about when we read that phrase back to him, because it said those two things that I think are so vitally important in relation to this deal.

**Mr. Black:** Is everything dollars and cents?

**Mr. Brandt:** No, everything is not dollars and cents. When he talks in terms of dollars and cents, because this is an economic deal, then he is dissatisfied with that. What he wants to talk about are culture and sovereignty. I am prepared to talk about those issues as well, because a far more elaborate and exhaustive study on that question than I have undertaken was undertaken by the C. D. Howe Institute. It said that we will improve and strengthen our ability to retain our heritage, our culture and our institutions. It came to that conclusion quite surprisingly, because it did not expect that was going to be the response it would get when it initially undertook the study.

Let me give the members another study if that one does not satisfy them in terms of its importance. What about the Macdonald commission? There were three years of study and \$20 million expended on doing an exhaustive analysis of the impact of this deal on Canada and Ontario. The Liberal chairman of that commission, the Honourable Donald Macdonald, said at the time he concluded his study that, on balance, this deal would benefit our country and our province very substantially.

**Hon. Mr. Kwinter:** He talked about the economic concept of free trade.

**Mr. Brandt:** The minister knows full well that he had the general outline of the deal at the time he undertook a comprehensive study of what the impact of a free trade deal would be between Canada and the United States. I say to the honourable minister, if he puts forward the argument that Mr. Macdonald did not see the deal when he concluded his study, he is right on that point. But it is interesting to note that as of yesterday or today, Mr. Macdonald continues to be in support of the deal as he has now seen it, and he sits in wonderment at the position being taken the Premier as it relates to free trade.

He does not know how the Liberals can come to this conclusion, other than they got themselves



in a box, they got themselves cornered on a position and they do not know how to get out of it now. That is the problem they have, because they know full well that virtually every single economic study that has been taken proves that we will benefit from the arrangement.

**Mr. Black:** Dollars and cents are all you want to talk about.

**Mr. Brandt:** I am not going to apologize because the dollars and cents are better. We talk about dollars and cents in this House each and every day because dollars and cents are the wherewithal that we use to improve the educational system and the road system and the health system and social services. You have to create wealth before you can redistribute it across the province. So if we can do something as a result of this deal to improve on the economic health of Ontario's citizens, I make no apology for the fact that this deal delivers on that particular ground. That is what this deal does.

**Mr. Villeneuve:** The member for Muskoka-Georgian Bay (Mr. Black) should talk to his predecessor.

**Mr. Black:** Oh, he is not in favour of it. He's gone on record as opposing it. He's got a lot more sense than a lot of you.

**Mr. Speaker:** Order.

**Mr. Brandt:** I am going to conclude my remarks in a moment but I want to perhaps try to share with the honourable members my understanding of this deal as it relates to some specific areas that have been brought to my attention as areas of concern, either in informal conversations with members opposite or in reports that have been brought to my attention about concerns that Ontario citizens have as they try to relate to their understanding of what the implications of this deal really mean.

Let us talk about some of the myths, as I would like to call them, because there are some myths in this debate. The myths really relate to what some people think is in the deal and is not really in the deal. Very little of this has to do with dollars and cents so I will shift ground and move to some of the more euphoric areas that members might be interested in, two of those areas being pornography and firearms.

We know there is a more liberal attitude towards firearms and pornography in the United States. Some have suggested that when we enter into a trade arrangement, we will simply open our borders to the way of life that is being experienced south of the border and there will be

more access to pornographic material and also to firearms in Canada.

That is simply not true. I would point out for the members opposite that under the General Agreement on Tariffs and Trade arrangement that we are part of at the present time, article 407, chapters 5 and 12—for the reference of the minister—those particular areas are untouched and remain totally intact in our sovereignty. Our right to deny the importation of those particular products will continue as before. Read into that, if the minister will, no change. So if he is going to try to raise that as a red herring, if someone is going to try to muster that up as an argument for why this is such a bad arrangement, let us put that one to rest.

The next one is, "We happen to have two official languages in this country and we made a decision, a very conscientious decision some years ago to move towards bilingual labelling in this country and, when we enter into an economic trade agreement with the US, we are going to have to get rid of all of our bilingual labelling." Also untrue. That will not be necessary. Again, it is a red herring raised by some who would want to scupper the deal based on arguments that are ill-founded and nonexistent.

**1620**

Another argument is that we would not be able to raise sales taxes on certain products and that we would restrict, and in some way encumber, our opportunity to approach the question of taxation in as pragmatic and as flexible a way as possible, or in a way in which this Legislature might deem to be appropriate as it relates to our future decisions. The reality is that there will be no change in how we assess our taxes, sales taxes or otherwise, as long as we assess those taxes equitably across the board on all products.

Obviously, we cannot indirectly subsidize a product—as we did with gold coins, by the way—a problem that I tried to deal with as well as I know, one that was either on the minister's desk or the desk of his predecessor. But what we did was we played unfairly, folks, at that particular time.

What we did was we said, in order to encourage the purchase of Canadian gold coins and recognizing that we had gold mining interests in this province that we wanted to encourage, we will not charge a sales tax on our product, but we will charge a sales tax on the other guy's product. That is an unfair deal in terms of this trade arrangement. The minister is absolutely correct. That one would be deemed inappropriate.



So let us understand that when the government is assessing a tax, it has to be equitable, balanced, across the board and an assessment of a taxation which would be the same for our products as for some other imported product.

Another argument that I am hearing less of today, but that still comes up occasionally, is that the agricultural industry is going to be left totally unprotected, that we are going to have to do away with our marketing boards. Not only is that argument incorrect—that marketing boards will be done away with—but in fact under this deal we will be able to introduce new marketing boards in the future. We will be able to expand the marketing board concept for other products at some future point.

**Mr. Villeneuve:** Surely he cannot be against that.

**Mr. D. R. Cooke:** Isn't that nice?

**Mr. Brandt:** Rather sarcastically, the member says, "Isn't that nice" that they will let us do that.

The fact of the matter is, it is a form of protectionism, my friend, and the member sat on the committee that studied the economic relationship between our two countries and he knows full well that if we want to get an advantage over the other guy, we had better be prepared for some retaliation. Either that, or we deal on a level playing field and we deal fairly and we deal in a balanced way with our trading partner.

They have said to us, "We will retain our present policy of direct subsidization to the agricultural community because that is the way we do it over here in the US." We have said, "Fine, continue to do it that way, but here in Canada, and more particularly in Ontario, we have grown up and appreciated and would like to continue to have the opportunity to operate marketing boards." They have said, "OK, you can do that too, and further, if you want to expand them, you can do that too."

Let us not raise the argument that in fact marketing boards are going to disappear and the farmers will be without protection. That is not to say there are not some problems in the agricultural community that are going to have to be addressed. I think Premier McKenna is absolutely right when he says that where there are job dislocations, where there are problems, then the government has a responsibility, I say to the minister, federally as well as provincially, to attempt to resolve some of those particular difficulties.

I do not know who wrote me this note, but I will look for the author later. I will not read that

into the record, because I want to wind up my remarks as quickly as I can, knowing that there are other speakers who are anxious to get on.

In closing, let me simply say to my friends opposite that this is more than just a political issue. It is an issue that really cuts to the heart and soul of the future of this province and it cuts to the heart and soul of what Canada is going to be, not only today but also tomorrow.

Let us appreciate, for the moment, the fact that we do not have too many other options if we miss this opportunity to enter into a trading agreement. We do not have too many other options because most of the doors are closed in most other areas of the world.

If we are going to become part of a larger trading arrangement with our largest trading partner, recognizing that at the moment we two, Canada and the United States, do more business together than any other two countries in the entire world, it only makes good common sense that we enter into a form of common market with our American friends and that we in fact—

**Mr. D. R. Cooke:** A common market?

**Mr. Brandt:** Yes, I said a form of common market.

**Mr. D. R. Cooke:** Are you in favour of a common market?

**Mr. Brandt:** I have certain appreciations for a common market, yes. Is the member opposed to that as well?

The reality is that we enter into a trading arrangement with our American friends to secure access to those markets. That is what it is all about. If, as a direct result of that, we improve on the living standard of Ontario citizens and if, as a result of that, we are able to build a more dynamic and a healthier Ontario, it is worth the effort of us entering into such a deal.

It is for that reason that my party, after a great deal of discussion on this issue, has come to the conclusion that we must represent the voice in this Legislature that asks members to reconsider their position and to join with the majority of provinces in this country now, as of today, numbering seven in all, who have said: "We are going to march hand in hand with the federal government in a trading arrangement with the United States of America. We are going to do that, recognizing that it will benefit very substantially our seven provinces." They have also said, "We wonder why Ontario is not entering into the deal when Ontario is the province that stands to benefit the most." That is the frightening part of it.



They have also said, and I want to make this comment before I close off in recognition that other speakers want to get on: "When we take a look at the east coast situation and at the unemployment problem there, we also take a look at the remarks of John Turner when he was travelling in that part of the province and he said, 'Accept the status quo because we are in opposition to a trade deal,' or, 'If the current government signs a trade deal, we are going to rip it up and get rid of it because we do not believe it is in the best interests of Canada.'"

What the people on the east coast are saying is: "How come the auto pact and the 90 per cent of your export sales that are going to the United States are good for Ontario? How come that has allowed you to realize an unemployment rate of around five per cent and the most dynamic and growing economy in all of Canada? When those things have happened to the benefit of Ontario, why do you deny us the right to do the same things?"

**Mr. D. R. Cooke:** Because the auto pact is not free trade.

**Mr. Brandt:** It is managed trade. I am quite prepared to concede that the auto pact is not exactly the same as—

**Mr. Laughren:** The auto pact is not free trade.

**Mr. Brandt:** But what did the member's party say and what did the people who share his political philosophy say, including the labour movement, 23 years ago when we entered into an auto pact? They said: "We are selling our soul down the river. We are going to have a bad deal for Ontario." They did not want that deal either and now they stand up as though they invented the deal. They did not invent the deal. They did not even think about it 23 years ago. It makes me angry to think that they can change their minds so rapidly about how bad something was 23 years ago.

Where would this province be economically if it was not for the auto pact? I will tell the member where Oshawa would be. It would have about \$7 billion or \$8 billion less investment. We would have hundreds of thousands fewer jobs in this province. We would have a much higher unemployment rate if we did not have the auto pact. It is probably one of the conditions that is most sacrosanct in this entire deal because we want to continue with that level of prosperity. We want to make sure we have protected that deal, that we have made it absolutely certain for the future that this deal remains as secure as is possible.

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**Mr. D. R. Cooke:** For the Big Three.

**Mr. Brandt:** No, there is more involved than the future of only the Big Three. I am more concerned about the security of employment of the workers who number in the thousands and the spinoff jobs directly related to that industry, some of which are in my own riding of Sarnia, that are dependent on the continued viability of that industry.

I have to say to the members that those people on the east coast and the west coast of this great country of ours want the same opportunity to enhance their north-south trade as well. They know that is the logical way to go.

Interjections.

**Mr. Brandt:** The member questions why they would even want to enter into the deal. The interesting part is that they have supported it and the member has not. He can sit back like a fat cat and say, "I'm all right, Jack," but the rest of the country has also got to be taken into consideration. The interesting part of this is that not only will the rest of the country benefit but Ontario will benefit even more.

As a result of all those considerations I have put forward, I will be moving an amendment.

By way of conclusion, I would simply like to say that we feel the appropriate forum for debate of this matter is in committee and that the government should have taken it upon itself, when it made a decision to pass on the resolution it has moved before this House, to have advised the opposition of its intentions, which it did not do, contrary to our understanding with the House leader.

If I might digress for a moment, there are copies of my amendment there for members of the government as well.

Finally, had it done that, we would have co-operated in discussing this matter fully, deliberately and completely in committee.

**The Acting Speaker (Miss Roberts):** Mr. Brandt has moved an amendment to the amendment that the resolution be amended by removing all wording after the word "States" in the first paragraph and substituting the following: "has great significance for the province of Ontario. Therefore, we resolve this agreement be referred to the standing committee on finance and economic affairs for a full and public discussion to determine if this agreement, to the best factual information available to the committee, is in the interests of the people of Ontario."



It appears to me on reading this amendment to the amendment that it may be out of order and I would like the indulgence of the House to refer this to the Speaker. In the meantime, I suggest that we continue with the debate. Do I have the indulgence of the House to do that?

Agreed to.

**Mr. J. B. Nixon:** I have with me today a copy of the Canada-US "free trade agreement," which is in a blue colour, I would note. It is another masterpiece of marketing by the use of the word "free," as if this trade agreement had no costs associated with it.

**Mr. D. R. Cooke:** Properly delivered.

**Mr. J. B. Nixon:** Properly delivered.

I have looked at the agreement and looked at the overview in particular. Indeed, the very first paragraph of the agreement reads as follows: "The Canada-United States trade agreement reproduced in these pages is the biggest trade agreement ever concluded between two countries. It covers more trade and more trade-related issues than any other trade agreement."

I do not know whether that is true or whether that is hyperbole, but it is of some significance, especially when you consider the fact that this biggest trade agreement ever was made available in its preliminary form to the people of Ontario only on October 4, the final text was not received until December 11, and the submission of the signed agreement to the President of the United States will take place on January 3.

Given the incredibly short period of time we have to consider this biggest trade agreement ever, I suggest it is very important that we pay attention to the resolution before the House. I believe that it is of absolutely vital significance and that, if passed, the resolution will send a clear and distinct message, not only to the Parliament of Canada and the Prime Minister but also to the American Congress, President Reagan and the rest of the world, quite simply, that the province of Ontario opposes this agreement as detrimental to Canada's sovereignty and economic interests and that we urge the Parliament of Canada to reject the agreement.

Debate and passage of this resolution is required simply because we believe there are those in the United States who are sensitive to the provincial concerns and needs in Canada and will not support a free trade agreement if it is not supported by all 10 provinces. I would suggest it is interesting that some Americans believe it is important to have the unanimous consent of all 10 provinces to this biggest trade agreement ever, against the backdrop of the Meech Lake

accord which was promulgated by my friend's representative in Ottawa.

I would also suggest that this resolution could not be debated prior to December 10 because we did not have the text of the trade agreement. We now have the text and it is time for Ontario to state its position.

My friend the Leader of the Opposition (Mr. B. Rae) wishes Ontario had taken a clearer position against this deal from the outset, some two and a half years ago, when the negotiations began. The problem he faces is that the deal was not written and was not before us until December 10. I would suggest to him that no responsible government can or should take a position on any proposal without having read it.

The problem which both opposition parties face is quite simple. The official opposition from the outset appeared to take the position, "No truck or trade with the Yankees," which of course is, I suggest, slightly hypocritical. The Canadian Auto Workers are probably the most significant beneficiaries of this province's truck and trade with the Yankees.

Indeed, the official opposition, I would suggest, has a double agenda. I say to the leader of the official opposition, he cannot have it both ways. Either he believes in trade or he does not believe in trade. Either he is in favour of enhanced trade with the USA and the rest of the world or he is opposed to it. If he is in favour of enhanced trade, then he will have the patience, the self-discipline and the self-respect to at least consider the merits and the demerits of any trade deal.

This government has those virtues, I would suggest: the patience to wait for the final text, the self-discipline to restrain our biases and take an objective, critical look at the details of the proposed agreement, and the self-respect to trust in our ability not to be swayed by emotional rhetoric or flag-waving nationalism.

The third party's problem is the problem of its slavish commitment to the errors of its federal counterparts, come hell or high water, and the less said about that the better.

**1640**

The deal before us is a rearrangement of trade relations or, in the words of the federal government, the biggest trade deal ever, which requires critical analysis by all of us, simply because it deals with all the stuff of which Canada is made, not just our dollars and cents but our enterprise, our laws, our culture and all our people. The deal affects all social classes and all regions of the country. Future generations, our children and our



grandchildren will have to live with the consequences.

The first thing I suggest that is important to understand about this trade deal is that we are not talking about free trade, notwithstanding the admonition on the cover of the agreement. Free trade is a figment of many a classical economist's mind, and I see it is taken up by the third party. It is a concept that brings with it the implicit assumption that the marketplace should be the sole arbiter of the success or failure of firms, industry, individuals or regions within the country. In the real world, independent states never accept the loss of sovereignty that is required by so-called free trade nor, I suggest, should this government.

What the federal government has presented to Canadians is quite simply not a free trade deal but rather Brian Mulroney's version of a trade deal, a bilateral trade pact which, in the opinion of this government, jeopardizes Canadian sovereignty without achieving secure access to the US market. In addition, it dilutes this government's ability to protect growing, new, incipient industries, new economic interests against the bulwarks, the attacks of international competition, as they are in their nascent stage.

According to the proponents of this agreement, and we have a few over here—all three of them—Canada's major gain is secure access to the US market with a new bilateral panel to review antidumping and countervail disputes. Open and secure access to the US market is what Brian Mulroney promised. A dispute settlement mechanism with binding powers was supposed to ensure secure access by guaranteeing fair and impartial application of US trade law remedies.

As chief negotiator Simon Reisman, my friends' diplomat, noted, one of Canada's biggest problems is that the tariff concessions we have paid for in good coin are eroded and undermined by the ability of the United States to unilaterally apply trade remedy laws. Mr. Reisman said Canada would never accept a trade deal under those circumstances, but according to this trade agreement, that is just what we did.

Under this agreement, US trade laws could still be used to harass fairly traded Canadian products. The proposed dispute settlement mechanism would not have prevented the US Department of Commerce's decision to let a 15 per cent surcharge be levied on Canadian softwood lumber. It would not solve the potash dispute, the pork dispute or any other dispute we face under protectionist pressures from local interests in the United States. It would not secure market access

for a single Canadian product and it would not improve job security for one Canadian worker.

The Minister of International Trade, Pat Carney, was correct—I suggest Mrs. Carney is correct on this occasion in any event—that if we cannot come up with a way of settling disputes that is binding on both parties, there is no advantage to us in a trade agreement. There is no point in having rules if they are not enforceable or if one side can unilaterally change them.

Here we have a dispute mechanism that does not work. One of the most important benefits that Canada sought to obtain in its negotiations with the United States was guaranteed access to the US market, access at the present time constrained by both US laws and the method of their application. The potential value of improved access to the US market is taken as a given, I hope. Without an effective dispute settlement mechanism to control US trade remedy laws and their administration, Canada-US free trade, at least for Canada, will not be free. That is because, without such a mechanism, unhampered access to the US market is not guaranteed.

The dispute settlement mechanism that apparently has been agreed upon by Canada and the United States falls short of an acceptable mark. The mechanism does not impose effective controls on domestic US trade remedies that bedevil Canadian industry. It is not binding, if that word is to be given any serious meaning. There is essentially no provision for provincial or private sector participation.

First, I would like to get some facts clear. So that my friends understand, they have to read the agreement, they have to look at US trade law. It is just not good enough to stand up and say: "I believe in free trade. It is good for Canada." Saying it does not make it so.

The facts are, quite simply, the US has four major trade remedy laws. The first is the antidumping law. The second is the countervailing duty law. The third is sections 201 and 301 of the Trade Act, whereby the US can take any action under the GATT agreement against any trading country which violates those international agreements. The fourth is section 337 of the Tariff Act, which is the provision under which the US parties are permitted to address unfair methods of competition and unfair acts in the importation of articles into the US.

I would like to suggest that the free trade agreement is woefully inadequate in dealing with these trade law remedies and the effect they might have on Canada.



First, the antidumping and countervail laws, Canada has not been exempted from US antidumping and countervailing duty laws. They exist, they stay the same, and they will stay the same under the trade deal. The substantive US law defining countervailable subsidies and dumping has not been changed. Finally, the financial review panel will review US administrative decisions to determine if they are in accordance with US law, nothing more than that.

Sections 201 and 301 of the Trade Act will continue to operate, and the trade deal does absolutely nothing to limit their application. Section 337 of the Tariff Act, the fourth US trade law remedy, is not limited in any way in its application by the free trade agreement.

I suggest that the trade agreement does nothing to change, alter or impair the application of US trade law remedies on Canadian firms, Canadian exporters and Canadian enterprise.

The conclusion reached by the Washington, DC, law firm of Hogan and Hartson, whom we retain, whose report was tabled in this House for public scrutiny—and I take it my friends have read it—is quite simply: “Based on the information available, the agreement does not make a broad-base departure from current US trade remedy law. Unfortunately, under this agreement, the dispute settlement mechanism falls far short of any goal set forward by the Prime Minister.” As far as trade actions against Canada are concerned, the panel is only empowered to determine whether they are consistent with US laws and regulations. The panel is not able to assess the fairness of any trade law. It is not empowered to hear new evidence. It merely replaces the US courts as a final form to enforce trade laws that have been used against us in the past.”

Given that background of the continuing existence of the US trade remedy laws, the countervail, the antidumping, the Tariff Act and the Trade Act, I think we have to consider those as a backdrop against perhaps the most significant reference in the agreement to the provinces, and that is the extent of obligations clause.

Let me read it to you, “The parties to this agreement shall ensure that all necessary measures are taken in order to give effect to its provisions including their observance, except as otherwise provided in the agreement, by state, provincial and local governments.”

The clause means, quite simply, that the provisions of the agreement apply to provinces, unless the provinces are specifically exempted. Nowhere in the agreement are provinces specif-

ically exempted. Provincial laws are now subject to challenge on the ground that they violate the terms of this agreement. The clause also means the federal government must ensure—and I underline “ensure”—provincial compliance. This goes well beyond its duty under the General Agreement on Tariffs and Trade with respect to provincial compliance. The effect quite simply is that the federal government is now obliged to tell the provinces to change their laws and ensure that provincial laws conform with and give effect to the free trade agreement.

#### 1650

Given the limited dispute resolution mechanisms that exist in the trade agreement, it is worth turning to take a brief look at them and see how they will give effect to the obligation of the federal government to force provincial laws to comply with the free trade agreement.

The free trade agreement does two things. It sets up a Canada-United States Trade Commission and, underneath the Canada-United States Trade Commission, a binational panel. The binational panel is to replace court review of administrative antidumping and countervailing duty decisions. It is important to note that the provinces do not have access to this process. The provinces used to have access to the US courts to apply US laws to unfair activity. They do not now. The substantive antidumping and countervailing duty laws remain unchanged and yet the provinces cannot do a thing about it.

Second, the Canada-United States Trade Commission, the essential elements of which are mediation, consultation and arbitration, is a dispute resolution mechanism dealing with any measure by any province or the federal government which is designed to nullify or has the effect of nullifying or impairing an expected benefit under the free trade agreement. Once again, the provinces have no access to that process.

Just to repeat and go over the logic of that situation, the legal text provides that the federal government must compel the provincial and local governments to comply with the trade agreement, using all necessary measures to do so. Provincial measures which appear to nullify or impair the expected benefits of the free trade agreement are subject to the general dispute resolution mechanism.

The provinces do not have access to the binational panel, which replaces court review, and there is no provision for provincial participation in the general dispute resolution mechanism, all of which, I suggest, is a very grave situation and requires commentary, particularly in light of



the official opposition's amendment which would require "an unequivocal commitment not to legislate, regulate or co-operate in any way to implement the agreement in any area of provincial jurisdiction."

It is not the first time the official opposition has raised this issue in this House, but in the light of the final text I suggest that the motion is, at the very least, ineffective and an exercise in futility. As I said in October and I say to members now, all the amendment does is to make the lawyers richer, and that is the lawyers who engage in trade litigation. The province of Ontario does not have a big stick to play in that game. It does have a big stick to play in another game and that is the politics of the situation; that is, in the expression of opinion of this Legislature to the Parliament of Canada as to whether we support this deal. I think it is fairly clear that a large number of us do not support this deal. Now is the time to make that clear and that is the purpose of the resolution.

I am sorry my friend the Leader of the Opposition is not here. He has referred to the fact that he is sorry the Premier is not here. Well, I am sorry he is not here; I am sorry the interim leader for the third party is not here.

**Mr. Laughren:** We are sorry members.

**Mr. J. B. Nixon:** You are all sorry too? I am glad to hear that. I suggest you take it up with them.

**Mr. Pope:** We're all sorry we're here.

**Mr. J. B. Nixon:** Well, you can leave if you like.

My friend the Leader of the Opposition has referred to this government's trade initiative in the area of the securities industry as just another sellout, and my friend the member for Sarnia (Mr. Brandt) has asked, "What is the Liberal alternative to this trade agreement?" I would like to answer both of those questions briefly, but let me first point out to the Leader of the Opposition that I think everyone in this House believes in the benefits of a mixed market economy, so it does us no real service to claim that principle as ours and ours alone, no matter what our party. I am sure he would agree that our economy is composed of many markets, each with its own level of maturity, competition and degree of organization. There is a great difference between the labour markets, markets for agricultural products and the securities markets. As such, each market requires significantly different degrees of regulation, significantly different degrees of protection and significantly different styles of regulation.

One regulates the labour market to protect the legitimate interests of employers and employees and to provide safety and health protection for the workers. Regulation of the securities market, on the other hand, focuses on the protection of investors and shareholders from fraud and manipulation and on ensuring the solvency of dealers. In a mature market where there is no demonstrable need to protect a mature elite from international competition and where the continued protection diminishes the vitality and capacity of domestic capital markets, I suggest to the members that the increased competition allowed by our opening of those laws is not only desirable, but necessary.

**Mr. Laughren:** Is this economics 101?

**Mr. J. B. Nixon:** For them. His leader does not seem to understand that. That was a specific principle that governed the Ontario government's decision to expand the ownership and entry policies governing the Ontario securities market. I am truly sorry he is not here to hear that.

None the less, when we did open the securities markets, it was based on three principles which this trade agreement did not adhere to, the principles being a phased-in approach, the principle of reciprocity and the principle of multilateralism, all three of which were ignored by this trade agreement. I might add that it was a trade initiative conducted by the Ontario government on its own timetable, according to its own agenda, as opposed to this agreement which was conducted as if with a gun to its head. This resulted in a hasty, ill-conceived deal that ignores the sensitive requirements of different markets and different segments of our economy, with the result that we have a mess. That is why this government cannot support that trade deal.

I suggest those are principles the Liberal government applied in the past and would apply in the future in any trade negotiations. Just to reiterate, they are the principles of negotiating to our timetable and not the foreign timetable, the principle of reciprocity of treatment and expectation of reciprocity, the principle of a phased-in approach and the principle of a multilateral set of discussions, as opposed to a bilateral set of discussions with a much larger trading partner.

**Mr. Morin-Strom:** I appreciate the opportunity to speak on this motion. I think the debate is an important one, although it is quite unfortunate the governing party in the province today has not been able to take a strong position on this issue and has a motion which in effect commits the government to doing absolutely nothing about



this free trade agreement that is of such grave concern to this whole province.

The only commitment included in this resolution—we want to focus on the last few words of this resolution—is that “Ontario opposes this agreement as detrimental to Canada’s sovereignty and economic issues, and will not be bound to implement those aspects which fall under provincial jurisdiction.” All they are committing themselves to saying is, “We will not be bound to implement.” There is no commitment not to implement and we have no assurances whatsoever that the Liberal Party will do anything to attempt to stop this agreement from going through or to protect the legitimate interests of this province and the citizens of Ontario who are so concerned about the devastating consequences that will result in the long term if this agreement does go through and receive full implementation.

It is essential that we as a Legislature act and take out these words. I want to endorse the amendment put forward by the leader of our party, the member for York South (Mr. B. Rae), who has put some teeth into this resolution. I hope that the Liberal Party will look seriously at our amendment and commit itself to some action on this vital issue facing our province.

We have been facing this issue for quite a period of time now, a period of well over two years, and we have heard a continuous litany of rhetoric from the Premier, expressing concern about what such a trade agreement could mean for our province. He set out a series of conditions which Ontario required if it was to endorse such an agreement, but he has never set out what in fact the province would do to stop this agreement.

I would like to go over some of the quotes we have heard over this period of time from this government which has acquiesced in the negotiation of this trade agreement, has been a player in the negotiations all the way through, and has never stood up for the people of this province and objected to a process that is selling out the interests of all our people.

Looking back more than two years ago, on November 4, 1985, he throws back at members of our party: “I probably do not have the same ideological bias the member has on this situation. I tend to be very practical.” The Premier goes on: “I am not prepared to walk into a deal that is not better for Ontario. Those are the reasons I have been so reserved about this situation.”

The Premier refused to stand up and stop the negotiating process from going on from the very

beginning and has been acquiescent and led around by the Prime Minister throughout this whole process.

On November 4, 1985, again, the Premier says, “I can assure the member that we will be there protecting the interests of our auto producers, our farmers, our cultural industries and our factories here in Ontario.”

Where is the Premier today? What is this government going to do to protect the auto producers, to protect our farmers, to protect our cultural industries and to ensure that we continue to have jobs in our factories here in Ontario? There is no evidence this government is going to do anything.

On November 18, 1985, the Premier says, “We have been the one force in this country that has provided a check to the steamroller that could be built under the hands of Mr. Mulroney, if we let him get away with it.”

What kind of a check have we received from this province in terms of stopping that steamroller? Here we are more than two years after that statement and the Premier did nothing to prevent the disastrous situation we are facing today.

The steamroller in fact has steamrolled right over the Premier and we get what can only be described as a completely wimpy resolution in front of the Legislature for us to debate yesterday and today, a commitment not to be bound to implement but no commitment not to implement. We are going to hear lots of reasons why this government has to go along with the various aspects of this agreement so as not to infuriate its backers, the financial and business community of this province.

Later in November 1985, the Premier says: “At this point the frustration from our end on this discussion is we do not know where the federal government stands. In the absence of any firm positions from them, it is very hard for us. However, the member knows where we stand because I have said this publicly on many occasions.”

Throughout this process, the Premier has in fact used lots of rhetoric to indicate what he is going to stand for but has not taken any steps to stop the initiative of this federal government. He says, “One of the things we have to do is to make sure we get better deals for our exports and at the same time not give away the store....we are fighting for, in a knowledgeable and reasonable way, and I can assure the member there will not be any selloff of Ontario from our point of view.”

It is quite clear that the agreement that has been negotiated is a selloff of the interests of our



province. It is a selloff of the workers of this province. It is a selloff of many of our industries. It is a selloff of our sovereignty when it comes to provincial matters, and as well a selloff of our right to control our resource heritage in particular. The Premier has not and is not taking the action needed to ensure this selloff does not happen.

The Premier continued to go along with the Mulroney initiative. In early 1986 we have statements like, "We should develop together a national consensus of what we are prepared to put on the table and what we are prepared to take off the table." Again, the Premier went along with the Prime Minister, not fighting this whole process but acquiescing throughout.

Two months later in April 1986, the Premier tries to assure the House again, and I quote from Hansard: "I assure my honourable friend that we will remain vigilant in the protection of those interests. We are not going to let this country be steamrollered in these discussions." Lots of rhetoric, but no action.

When it comes to one of the most critical issues, the key to the industrial economy in our province, the auto industry, the Premier provided assurances to the Ontario Chamber of Commerce that his government will fight "very, very hard" if an attempt is made to put the auto pact on the bargaining table.

Well, what happened to that? Right under our Premier's nose, the auto pact was put on and completely gutted in the last moments of these negotiations and the Premier's rhetoric has not bought anything for the people of the auto industry in Ontario or elsewhere in this country.

Another key issue on which the Premier has made numerous statements is the issue of whether he had a veto of this agreement. I quote from Hansard, June 3, 1986: "I am of the view that Ontario, de facto and de jure, has a responsibility in the ultimate ratification of this agreement or refusal to accept it."

I would like to know what that was based on and what steps the government is going to take in order to fulfil the Premier's oft-made commitment to veto an agreement which is not in the interests of this province.

A headline from the Toronto Star reads, "Premier Vows to Veto Deal if Auto Pact is Threatened." This is another statement more than half a year later, January 1987. Asked whether he would exercise this power if the auto pact were threatened, he told reporters, "The answer is very clearly yes." The Premier added, "There is no way I would allow the situation to develop that

would change the auto pact to the detriment of the province of Ontario."

The quotes sound great. Unfortunately, the story does not end the way the statements throughout these last two years were leading in terms of the final conclusion.

The Premier called the auto pact—

Interjections.

**The Acting Speaker (Miss Roberts):** I remind the other honourable members to allow the member for Sault Ste. Marie to continue. They will have a chance, I am sure.

1710

**Mr. Morin-Strom:** The Premier says the auto pact was "the most important document we have in this province, indeed in this country, in terms of generating wealth and I could not stand by and see that erode in any way."

Now the members of the Liberal Party say effectively that the Premier was not telling the truth when he made these statements. They are asking me what we would do. They are admitting that the Premier now does not have the veto which he claimed he had at that point.

Then he goes on. Another big issue on which the Premier was stumped and totally incompetent in terms of being able to solve was the softwood lumber issue. When he was questioned on whether steel exports would be handled the way softwood lumber was handled so incompetently by this government, he responded, "We are very much against handling this issue the same way that the federal government handled the softwood lumber issue. That is why we are there. We are trying to anticipate these problems."

The anticipation has gone on for over two years and, meanwhile, nothing has happened from this government to protect the interests of the people of Ontario. We have been steamrollered by the federal government and taken in by the Prime Minister and Mr. Reisman, and this government has not stood up for the interests of the people of Ontario.

We go on with another quote. When Mr. Peterson met with Clayton Yeutter, the chief trade negotiator for the United States, on January 29, 1987, the Premier says he explained to him: "The provinces, in our view, would have a veto over the implementation of any trade pact. I explained to him the importance of the auto pact to Ontario." Now the Premier is backing out and saying he does not know if he has a veto. He cannot provide any assurance that he can do anything about this agreement. Clearly, the negotiator, Mr. Reisman, had the Premier



convinced that he had a veto, when in fact the Premier has now admitted that he does not.

This is an agreement which is not in the interests of this province. It is incumbent upon this government to take the steps necessary to stop this deal from going through. We had the commitment from the Premier during the election campaign that if his six conditions were not met, he would stop the deal. Clearly, none of the conditions have been met. The government admits that the conditions have not been met. It agrees that we have a bad deal, but the best we can get from the government is a weasel-worded resolution which does not commit the government to taking any steps to fight this agreement or to stop the agreement from going through.

One of the aspects of this agreement which is of particular concern has to be the sovereignty issue. One does not have to go beyond the first chapter of the free trade agreement to realize that it is a bad deal and a deal that infringes on our provincial authority. In fact, article 103 states in part, "The parties to this agreement shall ensure that all necessary measures are taken in order to give effect to its provisions, including their observance...by state, provincial and local governments."

Surely the Premier is going to have to act on behalf of this province to launch a constitutional challenge in order to protect the legitimate rights and responsibilities of this Legislature as a governing body in Ontario. Just several weeks ago, the Premier's party in this Legislature abandoned the Premier's rhetoric and voted down a New Democratic Party resolution in this Legislature that would have had the government of Ontario refuse to implement any part of the agreement that fell within provincial jurisdiction. It is essential that this government pursue all legal, constitutional and political challenges to stop this agreement, but there is no commitment whatsoever from this government in fact to do so.

Through the process leading up to this, we have had a select committee which looked at this issue very seriously. Unfortunately, over the year and a half that we looked at this issue, the Liberals on the committee supported the position of the Conservatives throughout and, as a result, we ended up with two reports, an interim report and a final report, both of which endorsed the whole negotiating process and supported the objective of achieving for Ontario and for Canada a bilateral, comprehensive free trade agreement between Canada and the United States.

The majority reports on these committees, on which I had the opportunity to serve, were both endorsed in totality by the Conservative and the Liberal members of the committee. The New Democrats wrote dissents to these reports, objecting to the whole process, seeing in fact where we were headed with this agreement, as so many other groups across Canada have seen. There is only one objective of this whole process, and that is the objective of moving Canada towards economic integration with the United States. It is quite clear that the business community's objective is to take away the requirements that they live under Canadian law and to move us as close as possible to giving Canada the same set of rules as the business community has within the United States.

More fundamental than any other issue is the need for us to maintain our sovereignty and to be able to establish as a people what we feel is right and proper for the future of this country, not what the business community feels is right and proper; it is not for the people on Bay Street to decide what is right and proper, and most particularly not what the people on Wall Street believe is right and proper for the future of Canada.

One of the issues that is of particular concern is the threat this agreement poses for regional development. If we are going to move into a mode of economic activity and operation similar to what the United States has, that is going to have dire consequences for the outlying areas of our province and of the country as a whole. This agreement does not benefit the resource sector, it does not benefit the area of the province I come from in northern Ontario and it will not provide the jobs that areas such as that are required to have for the future of our citizens and to ensure that we have a more balanced economy in the years to come.

In northern Ontario the forest products and the mining industries are the backbone of the economy. There are over 90,000 people who produce mineral products worth some \$8 billion. There is another \$8.5 billion in lumber, wood pulp, newsprint, paper products and paperboard, with 70,000 jobs. You get a sense of the importance of these resources and their trade with the United States.

Historically, there has been free trade, that is no tariff barriers with the United States, in Ontario's minerals, lumber, kraft, pulp and newsprint. The US requires our products and it is never going to shut the door on our products. They use them for the production and manufacture of goods and services, an activity we should



be trying to do much more of in our country rather than shipping out those raw materials for processing in the United States.

1720

It is not surprising that these industries, many of which are controlled and owned in the United States, are in favour of the Mulroney deal. They argue that the deal ensures continued access to US markets in the face of American protectionism. However, in fact, nothing in the agreement prevents US anti-dumping or countervail measures such as were threatened in the softwood lumber case. The dispute settlement mechanism will not guarantee Canadian access.

Article 1902, paragraph 1, of the final free trade agreement states categorically: "Each party reserves the right to apply its antidumping law and countervailing duty law to goods imported from the territory of the other party. Antidumping law and countervailing duty law include, as appropriate for each party, relevant statutes, legislative history, regulation, administrative practice and judicial precedents."

It is clear that a broad scope of measures is contemplated.

Article 1904, paragraph 2, of the agreement is equally categorical that the binational dispute settlement mechanism will only determine whether a given anti-dumping or countervail duty measure is "in accordance with the anti-dumping or countervailing duty law of the importing party." Any appeal will be limited to matters of process, not substance.

Whether an American countervail or anti-dumping duty is fair to Canadian products will never be the issue. Even if there were an agreement that guaranteed access, and not this Mulroney sellout, it would only mean the status quo. Forest products industry spokesmen have been quite clear that free trade will not mean new jobs and they have made this statement on a number of occasions.

What we need to produce the new jobs in the resource sector is not trade of our raw materials; what we need is a concerted effort by the federal government, and most particularly by our provincial government, to ensure that the processing of our mineral and forest resources is going to occur within our province, as much as possible in those areas the products are coming from, right in northern Ontario. If we were putting the value added that we should be into the products coming out of the north, we would be producing and providing a lot more jobs in that region.

We can take the example of a social democratic country like Sweden as a model for what can be

done in a resource sector in terms of creating additional wealth, additional sales value from the products coming out of a region and ensuring that the unemployment rate stays down at a reasonable level.

I will tell members who question what is happening in Sweden that I came back from Sweden in late October. The unemployment rate in Sweden in the month of September was 1.9 per cent. The unemployment rate in Norway was 1.4 per cent. In comparison, the results in this province are an absolute embarrassment for this government. Something it should be looking at is a commitment to full employment and how we can generate the jobs we need in this province. That is what the economic priority should be for this province and for our federal government as well.

This agreement, in particular when we look at the northern resource sector, does nothing about the deplorable duty that was imposed on softwood lumber. It was one of the major irritants that provided ammunition for the free trade negotiators and has been used by Prime Minister Mulroney and the free trade proponents as an argument for why we needed this deal. In fact, the deal did nothing in respect of that duty.

When it comes to another industry in the north, the steel industry, this agreement provides no assurances that the steel industry is not going to be subject to further actions in terms of countervailing duty or antidumping procedures in the United States and no assurances that the gentlemen's agreement, a voluntary quota currently being honoured by the Canadian steel companies, will be changed in any way.

We have no assurances and, in fact, the Canadian steel industry has indicated that it expects it will continue to abide by the same quotas it has at present, so there is no opportunity for additional steel sales in the United States. We are assured only of a percentage of a market that has over the last 20 years been declining in size. As a result, we have no indications that even one of the winning industries, theoretically, according to some of the proponents, will do anything in terms of new investment in its own industry for providing additional jobs.

This agreement also has a serious effect on provincial powers. The language of the final agreement is much tougher on provincial compliance than the October 4 agreement was. Numerous experts have a concern about the implications of article 103 which states, "The parties to this agreement shall ensure that all necessary measures are taken in order to give effect to its



provisions, including their observance, except as otherwise provided in this agreement, by state, provincial and local governments."

But there is more. Chapter 5 demands that "a province or state cannot discriminate in respect of measures falling within its jurisdiction against imported products." How on earth can we develop a strategy which would give preference to Ontario-made goods as part of the development of new industrial sectors if we are not able to provide purchasing preference to ensure, wherever possible, that we purchase goods that are produced in this province?

There is an obvious concern that the federal government, through this trade deal, is circumventing the province's right to set policies within its own jurisdiction. Ontario must declare its intention not to implement any part of this deal falling within its jurisdiction. It must pursue a constitutional challenge to this deal. If not, the implications for the province as a whole, and certainly for northern Ontario, are very serious.

One of the most serious concerns has to deal with energy policy. This is a concern not only in Ontario but also across the whole country. The free trade agreement's continental energy policy will put Canada's cheap and abundant energy supply at risk. Resource industries will lose one of their main competitive advantages.

In northern Ontario in particular, we carry a significant energy burden because of the distances we have to travel, the colder climate we have and the poor highway system we have. These burdens will intensify under this agreement. The energy provisions, combined with the thrust of the free trade agreement, preclude any government intervention in the economy and almost guarantee that a measure such as reducing Ontario Hydro rates as an economic development tool would be impossible in the future.

We know the current minister has shown no interest in using Hydro as an economic development tool. However, we cannot rule out the possibility that a future Minister of Energy will do something on behalf of the people of this province in encouraging new industrial development and more jobs, particularly in northern Ontario.

#### 1730

One of the biggest concerns about this agreement is that it potentially threatens all regional development programs. The softwood lumber case is quite enlightening in this regard. In the United States international trade agency's preliminary ruling, seven provincial government programs, five federal government programs and

four federal-provincial programs were deemed to confer trade-distorting subsidies to Canadian softwood producers. This leaves aside the issue of stumpage fees.

Among the programs identified were investment tax credits, regional development incentive programs and the general development agreements. Our whole program for northern Ontario is a Utopian dream under the free trade agreement.

For example, we will never see a real, effective northern Ontario heritage fund financed partly through government resource income which northerners could control and which would be used to finance new manufacturing ventures in the north. We could well be prevented from ever implementing special measures to equalize gasoline prices, a high priority for the people of northern Ontario, although it is not a high priority for the current government. We could well be prevented from undertaking significant highway construction as a tool for economic development.

Unfortunately, the Liberal government has a double standard on free trade. It opposes it to protect the manufacturing industries in southern Ontario, at least in words and rhetoric. However, it refuses to intervene to help develop manufacturing across the north. The Liberals continue to leave the north vulnerable to the status quo of resource dependency.

This free trade agreement would ensure that the government's hands, not only in the hands of this Liberal Party but potentially in the hands of our party in the future, could well be tied. When it comes to northern Ontario, this government could well be using free trade as an excuse for its own inaction. This government has shown no interest in action on this item.

This agreement is going through as far as the Liberal Party in Ontario is concerned. It is incumbent upon the individual members of the Liberal Party to realize that they are being led down the path by this particular resolution, which commits the government to doing nothing. If in fact they represent their constituents and believe that this agreement is an economic doomsday for the future of our province, then they will have to stand up and support the amendment that has been put forward by the New Democratic Party that would ensure there is a commitment from this province to stop the trade deal and to take every legal, constitutional method that is at our disposal to stop this agreement from going through.



The future of economic development in our province rests with whether this agreement reaches implementation or not. If we get to the stage—to that date of January 1, 1989, which is not that far away—when the implementation starts, we have a very serious problem in turning back the clock and getting this agreement stopped.

We do not have the assurances that the Premier's only solution, a federal election, will occur before that date. Certainly it is in Mr. Mulroney's interest not to call a federal election in 1988, because I am sure the results will be disastrous for him. If he takes what is the wise course for himself and puts that election off until 1989, we have no assurances, with the huge majority we have facing the people of Canada in the federal government, that anything can be done on the national level to stop this agreement from being signed, to stop legislation from being passed at the federal level and to stop the beginning of the implementation on January 1, 1989.

The province of Ontario has an obligation, a responsibility, to stand up for its legislative authority, to take on that responsibility, to work in conjunction with the other provinces that are opposed to this agreement and to stop this agreement from happening.

I call upon the Liberals in this government to reconsider their position and to support our very reasoned amendment that would ensure that the government will take every step at its disposal to stop this agreement from going through.

At this time, Mr. Speaker, I thank you for having the opportunity to speak on this debate and relinquish the floor to further members.

**Mr. Speaker:** Just before I recognize the next speaker, previously the member for Sarnia proposed an amendment. I have had an opportunity to review it and I would like to inform the House that it is a generally accepted rule in parliamentary procedure that an amendment to an amendment must attempt to alter or improve upon the amendment. Clearly, the proposal of the honourable member for Sarnia does not meet this basic criterion in that it attempts principally to amend the main motion. I must therefore find that the proposal is out of order.

**Mr. Pope:** Mr. Speaker, on a point of order: Could the Speaker elaborate as to how this motion does not improve the amendment?

**Mr. Speaker:** I have looked at it very carefully and I have come to that conclusion. I have made my ruling. I think the honourable

member knows the procedure that would have to be taken after the ruling has been made.

**Mr. Pope:** Our party has tried, through my leader's amendment to the amendment, to put on record its position, and also through this debate.

I would like to begin by indicating to the members of this Legislature our objection to this process being undertaken by the Liberal government of Ontario three days before the proposed adjournment date of this House, introducing a substantive resolution dealing with one of the most important issues confronting this nation over the past two years and for years to come.

The House leader for the Liberal government of this province is anticipating that all debate will be concluded within three days on this most important matter and that a substantive decision will be taken by the members of the Legislative Assembly of the province of Ontario: three days before adjournment, limited opportunity according to the set timetable of this government for members to speak on this most important matter, which affects industries and people in every part of this province.

This government, which criticized the federal government for a hurried timetable, itself has adopted a hurried timetable to frustrate full debate of this most important measure in this House. It wants a substantive decision out of this Legislature on less than three days' debate; that is the truth of the matter. Then it has the gall to say that we are going to have an examination of the whole issue of free trade by a committee of this Legislature. That is absolute nonsense and an affront to the democratic process in this province. It is an affront that the government would pretend we are going to have a decision taken by a committee and referred back to the House on the matter, against which it will already have a vote taken by resolution.

**1740**

What about the members of that legislative committee who will have to sit through weeks of hearings? What about the people of the province, the workers in the industries, the unions, the municipal and other leaders of this province, who would anticipate that the government would at least listen to them before it makes up its mind, only to find that it has passed a resolution on December 17 which effectively closes off debate and their right to have a say in the position of Ontario, their government, because it will have already taken a position on this matter?

Interjection.

**Mr. Pope:** I say to the Minister of Natural Resources, who was moved out of the trade issue



on softwood lumber because there was mishandling of it and is now counting fish in Lake Erie for a job, that they, as the provincial government, have an obligation to the people of this province to listen to them, to allow them to come in and talk to the government and to members of a legislative committee, not their own little cabinet committee, and give their point of view on the detail of this agreement. They are going to deny that substantive right to the people of Ontario because they are bound and determined to pass this resolution before the adjournment of the House. That is what they are bound to do. By doing so, this Legislative Assembly will have taken a final and irrevocable position on this agreement. All the rest of the committee stuff is window-dressing. It is meaningless.

I would be willing to predict that the Premier is going to bring in the members or have someone else talk to the Liberal members of this committee and instruct them that they are to vote against any free trade arrangement with the United States as indicated by this agreement, that they will not accept any amendments which may have the effect of improving the free trade agreement as an expression of the will of the Legislature of Ontario and that they will brook no discussion of any substance and no vote of any substance, whether it be authored by the members of the official opposition or by the third party.

That is entirely consistent with the hypocritical attitude that the Premier has taken on the Meech Lake accord. He is in favour of the Meech Lake accord. He has indicated in the House that the members—

Interjections.

**Mr. Speaker:** Order. I know there are many times when members sometimes say things that—maybe they are aware of what they are saying in the House; I listened carefully and I would ask that the member really considers all his words very carefully as he continues to speak.

**Mr. Pope:** I am not sure I know what that means, Mr. Speaker, but I will consider it. Thank you very much.

As I was saying, the position of the Premier, which he will instruct the Liberal members of this committee to observe during the course of committee hearings on the free trade agreement, will be entirely the same as the position he has instructed the Liberal members to take on the committee examining the Meech Lake accord. They will not be allowed to vote against the Premier's position. They will not be allowed to make amendments to the provisions of the Meech Lake accord. They will be instructed to follow

the party line. So the Premier, having signed and accepted the Meech Lake accord, will brook no changes. That committee is nothing but window-dressing for the government's position, as this committee will be.

This government, with its majority, will brook no opposition by vote of the committee, no amendments, no suggested improvements either with respect to the Meech Lake accord or to this trade resolution and the free trade agreement itself.

I believe that the position of the Premier and the Liberal government of this province is duplicitous. I think that they have a public agenda and a private agenda with respect to this matter, and I think it has been clear for many, many months that there was a public agenda and a private agenda at work. It is the leader of the official opposition who on a number of occasions has indicated that is his opinion, and certainly that is the one common ground we share with the members of the official opposition—

**An hon. member:** We don't share many grounds but that's one of them.

**Mr. Pope:** Quite correct.

**An hon. member:** You have no grounds for that view.

**Mr. Pope:** Well, let us talk about my grounds for that view. I think that is a very relevant discussion. Since I have been prompted by a member of the Liberal Party sitting in this assembly to discuss the grounds for that point of view, it forces me to review a little bit of history. To the Minister of Natural Resources (Mr. Kerrio), I will keep the softwood lumber matter to less than three minutes.

**Mr. R. F. Johnston:** Does it go back to pre-Confederation? That's all want to know.

**Mr. Pope:** In fact, I say to my friend the member for Scarborough West, this issue is pre-Confederation. This is not a new debate. This is a debate that this Legislative Assembly has from time to time engaged in over the centuries, let alone over the decades; so let there be no feeling that some of these issues are unique to this time in the history of this country or this province, because that simply is not so.

The member asked me for the background to that particular point of view about duplicity or the double agenda. If I could just start, very briefly, because I know the Minister of Natural Resources does not want to hear this again, item 1 is that on October 20, 1986, the Premier, in the *Globe and Mail*, says: "We've been snookered by Ottawa on softwood lumber. I had no idea what



Pat Carney was going to say in Washington on October 1 until I read about it in the newspaper."

Then I want to contrast that, which gives a clear indication that the Premier of this province did not know there would be an offer by Pat Carney of an eight to 10 per cent solution, with provincial participation, to resolve the softwood lumber dispute. Just to end this issue, I want to read into the record, for the edification of the member for Kitchener (Mr. D. R. Cooke), the following letter. I will send him a copy.

September 26, 1986—that is, 24 days prior to the Premier's interview with the *Globe and Mail*—this letter is to Mr. G. E. Shannon, Deputy Minister for International Trade, Department of External Affairs, Lester B. Pearson Building, Ottawa, Ontario.

"Dear Mr. Shannon:

"In the interests of a national position on the softwood lumber issue, Ontario is prepared to raise revenues, largely from the softwood lumber industry, by \$30 million per annum. This sum is the equivalent of a significant increase in stumpage fees for the softwood industry and might well be partly raised through other revenue-gathering mechanisms.

"We anticipate that we could schedule 50 per cent of the revenue increases to Ontario to begin January 1, 1987, and a second 50 per cent by July 1, 1987. More detail on the precise methods of implementation will be provided as soon as possible."

This is five days before Pat Carney's offer to the United States government and 24 days prior to the Premier's interview with the *Globe and Mail*. Guess who signed that letter on September 26, 1986? It was Mary Mogford, Deputy Minister of Natural Resources, who the then Minister of Industry, Trade and Technology last year in estimates admitted was negotiating the softwood lumber matter on behalf of the government of Ontario. So the very issue that the Premier indicated to the *Globe and Mail* he knew nothing about had been approved in writing by this government, by its authorized negotiator, 24 days beforehand.

That is a public agenda and a private agenda. And is that the only example?

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**Mr. Harris:** Does what they said publicly jibe with what they said privately?

**Mr. Pope:** What they said publicly is totally different from the private documentation which was not provided to the members of this assembly by the Liberal government.

In case the members are concerned about the authenticity of this particular document, I would like to table a copy. I do not think one has ever been tabled in this House. I would like to ask that this be tabled so that all members can examine it; and if they wish, they can ask Mary Mogford if that is her signature, if they doubt my word on that. Also, I would like to give a copy to the member for Kitchener, because I see from the look on his face, he has never seen this document before.

Interjections.

**Mr. Pope:** I know that the member for Kitchener now has a more precise assessment available to him of the softwood lumber matter.

Item 2: The federal Minister for International Trade, a partisan observer of the matter of course, said the following of Premier Peterson: "He is critical and tough in public but the Ontario Premier behind closed doors is a pussycat on this issue."

That opinion by Pat Carney, the federal trade minister, is shared by many other premiers in this country: that what is said and the posture taken by the Premier of Ontario in public is quite different from the demeanour and the posture taken by the Premier in the context of private meetings with the minister for trade of the government of Canada and the other premiers of this country.

Item 3: I refer to the comments of the Leader of the Opposition (Mr. B. Rae) in this House yesterday, at Instant Hansard, page 9, if members wish the reference. I am quoting:

"Mr. LaFalce then interrupted me to say that he was surprised to hear me say that because, while he was aware of what the Premier had been saying in public, he said in a private conversation which the Premier had with him, the Premier said 'These things have a way of becoming a permanent feature of the law once they are done and once it is done, it would be very difficult to undo it.'"

The Leader of the Opposition took the natural interpretation of this congressman's comments to mean that publicly the Premier was saying one thing but privately, in meetings with congressmen down in the United States, he was taking a different position.

Item 4: On April 16, 1987, as reported in the *London Free Press*, the Premier says, "I cannot tell you if we are getting the straight goods or not; we are not in the room." Funny about that, because the Minister of Industry, Trade and Technology (Mr. Kwinter) last Thursday in estimates admitted that representatives of the government of Ontario had been at 19 liaison



committee meeting for the negotiating team since January 1, 1987, and had been fully apprised of the positions the government of Canada was taking.

It is funny. They were not in the room, but they were at 19 liaison committee meetings in which they were being briefed and their Premier attended numerous first ministers' conferences where he was briefed on the contents of the deal.

Item 5: We have the public declaration in so many forms and in so many forums by the Premier of this province that he would veto this deal, that he would stop it dead in its tracks, that he would institute legal challenges to this deal. Time and time again during the course of the election campaign in 1987, and well before it, he said that Ontario could veto this deal.

Now, after asking for so long for the legal opinions that he had to back that position, we have the Premier of this province yesterday in the House making a very interesting and significant admission. I think it is an admission that he never had a legal opinion to back his stance with respect to veto, with respect to constitutional challenge, that he authored so many months and two years ago.

Let us look at the opinion of the Premier of this province as enunciated yesterday and compare it with the opinions he was voicing in this Legislature and to the people of Ontario over the past two years. Is that not the issue I am trying to talk about, what is being said publicly at one point in time and what actually happens at another point in time?

I refer to page 10 of the Instant Hansard of yesterday's proceedings in the afternoon, "But the precise answer to the question, on the basis of legal advice we have at the moment, is that this treaty, this contract, this accord, is not referable"—that is the first position; then he immediately goes to his second position—"and that the odds of any successful application at this time would be very, very low and probably negligible."

In the same sentence he says it is not referable and then he says if it is referable, we will not win. This is the same Premier who not too many weeks and months ago was saying that Ontario had a veto, that Ontario could frustrate this deal, that Ontario could make sure it was never implemented.

Then the Premier goes on to say, and this is the beginning of a very interesting digression of the Premier's position even on the implementation legislation—I know the lawyers in this room will listen to these words: "Where it becomes a constitutional issue potentially is in the imple-

mentation legislation which may or may not follow at some time in the future."

If we analyse those words carefully, is that not the beginning of the evolution of a legal strategy by the Premier of this province not to challenge the implementation legislation at the federal level? Is that not the beginning of a final pullout from the legal strategy the Premier adopted some many months ago when he was David "Macho Man" Peterson, who could veto this deal, frustrate it and make sure it was never brought about?

Item 7: When I talk about a public stance versus a private stance, it has to do with domestic wines, one of the major concerns of this government and this Premier. The Premier's position was very clear. The free trade agreement reduced the protection for domestic wines. That was the only issue: if the free trade agreement reduced the protection, the markup policy, cast it asunder, for domestic wines, Ontario would do nothing to implement those provisions.

That is giving him a generous interpretation of his position, by the way. But the happiest man in the world when the General Agreement on Tariffs and Trade ruling came down was the Premier, because under the guise of the GATT, he proceeded to implement the free trade provisions with respect to domestic wines and had a 12-year phase-out period. The only argument he has is over two years, and even one of those years has gone now.

We can see that where our free trade agreement challenges the markup policy of the government of Ontario, it will not be acceptable, but where a GATT ruling changes the markup policies of the Liquor Control Board of Ontario or reduces the protections for the domestic wine industry of this province, that is OK. Somehow there has to be consistency there, but if some Liberal member can find it, I welcome his comments in this debate.

**Hon. Mr. Wrye:** There is.

**Mr. Pope:** Oh yes, I bet there is.

**Mr. Speaker:** Perhaps the honourable member might take a glance at the clock. If you have further comments, you might wish to adjourn the debate.

**Mr. Pope:** I am sorry. One sentence: I will deal tomorrow with items 8 and 9, financial services and the two-track, public-versus-private position of this government.

On motion by Mr. Pope, the debate was adjourned.

The House adjourned at 6 p.m.



## ALPHABETICAL LIST OF MEMBERS\*

(130 seats)

First Session, 34th Parliament

**Lieutenant Governor: Hon. Lincoln M. Alexander, PC, QC**

- 
- Adams, Peter (Peterborough L)  
 Allen, Richard (Hamilton West NDP)  
 Ballinger, William G. (Durham-York L)  
 Beer, Charles (York North L)  
 Black, Kenneth H. (Muskoka-Georgian Bay L)  
 Bossy, Maurice L. (Chatham-Kent L)  
**Bradley, Hon. James J.**, Minister of the Environment (St. Catharines L)  
 Brandt, Andrew S. (Sarnia PC)  
 Breaugh, Michael J. (Oshawa NDP)  
 Brown, Michael A. (Algoma-Manitoulin L)  
 Bryden, Marion (Beaches-Woodbine NDP)  
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 Campbell, Sterling (Sudbury L)  
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 Carrothers, Douglas A. (Oakville South L)  
 Charlton, Brian A. (Hamilton Mountain NDP)  
 Chiarelli, Robert (Ottawa West L)  
 Cleary, John C. (Cornwall L)  
 Collins, Shirley (Wentworth East L)  
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 Cooke, David S. (Windsor-Riverside NDP)  
 Cordiano, Joseph (Lawrence L)  
 Cousens, W. Donald (Markham PC)  
 Cureatz, Sam L. (Durham East PC)  
**Curling, Hon. Alvin**, Minister of Skills Development (Scarborough North L)  
 Daigeler, Hans (Nepean L)  
 Dietsch, Michael M. (St. Catharines-Brock L)  
**Eakins, Hon. John F.**, Minister of Municipal Affairs (Victoria-Haliburton L)  
**Edighoffer, Hon. Hugh A.**, Speaker (Perth L)  
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 Eves, Ernie L. (Parry Sound PC)  
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 Ferraro, Rick E. (Guelph L)  
 Fleet, David (High Park-Swansea L)  
**Fontaine, Hon. René**, Minister of Northern Development (Cochrane North L)  
**Fulton, Hon. Ed**, Minister of Transportation (Scarborough East L)  
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**Grandmaitre, Hon. Bernard C.**, Minister of Revenue (Ottawa East L)  
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 Johnston, Richard F. (Scarborough West NDP)  
 Kanter, Ron (St. Andrew-St. Patrick L)  
**Kerrio, Hon. Vincent G.**, Minister of Natural Resources (Niagara Falls L)  
 Keyes, Kenneth A. (Kingston and The Islands L)  
 Kozyra, Taras B. (Port Arthur L)  
**Kwinter, Hon. Monte**, Minister of Industry, Trade and Technology (Wilson Heights L)  
 Laughren, Floyd (Nickel Belt NDP)  
 LeBourdais, Linda (Etobicoke West L)  
 Leone, Laureano (Downsview L)  
 Lipsett, Ron (Grey L)  
 Lupusella, Tony (Dovercourt L)  
 MacDonald, Keith (Prince Edward-Lennox L)  
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 Mahoney, Steven W. (Mississauga West L)  
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 Matrundola, Gino (Willowdale L)  
 McCague, George R. (Simcoe West PC)  
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 McGuigan, James F. (Essex-Kent L)  
 McGuinty, Dalton J. (Ottawa South L)  
 McLean, Allan K. (Simcoe East PC)  
**McLeod, Hon. Lyn**, Minister of Colleges and Universities (Fort William L)  
 Miclash, Frank (Kenora L)  
 Miller, Gordon I. (Norfolk L)  
 Morin, Gilles E. (Carleton East L)  
 Morin-Strom, Karl E. (Sault Ste. Marie NDP)



**Munro, Hon. Lily O.**, Minister of Culture and Communications (Hamilton Centre L)

Neumann, David E. (Brantford L)

Nicholas, Cindy (Scarborough Centre L)

Nixon, J. Bradford (York Mills L)

**Nixon, Hon. Robert F.**, Deputy Premier, Treasurer of Ontario and Minister of Economics and Minister of Financial Institutions (Brant-Haldimand L)

Offer, Steven (Mississauga North L)

**O'Neil, Hon. Hugh P.**, Minister of Tourism and Recreation (Quinte L)

O'Neill, Yvonne (Ottawa-Rideau L)

Owen, Bruce (Simcoe Centre L)

**Patten, Hon. Richard**, Minister of Government Services (Ottawa Centre L)

Pelissero, Harry E. (Lincoln L)

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Philip, Ed (Etobicoke-Rexdale NDP)

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Poirier, Jean, Deputy Speaker and Chairman of the Committees of the Whole House (Prescott and Russell L)

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Polsinelli, Claudio (Yorkview L)

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Pope, Alan W. (Cochrane South PC)

Pouliot, Gilles (Lake Nipigon NDP)

Rae, Bob (York South NDP)

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Ray, Michael C. (Windsor-Walkerville L)

Reville, David (Riverdale NDP)

Reycraft, Douglas R. (Middlesex L)

**Riddell, Hon. Jack**, Minister of Agriculture and Food (Huron L)

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Ruprecht, Tony (Parkdale L)

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Smith, David W. (Lambton L)

**Smith, Hon. E. Joan**, Solicitor General (London South L)

Sola, John (Mississauga East L)

**Sorbara, Hon. Gregory S.**, Minister of Labour (York Centre L)

South, Larry (Frontenac-Addington L)

Sterling, Norman W. (Carleton PC)

Stoner, Norah (Durham West L)

Sullivan, Barbara (Halton Centre L)

Swart, Mel (Welland-Thorold NDP)

**Sweeney, Hon. John**, Minister of Community and Social Services (Kitchener-Wilmot L)

Tatham, Charlie (Oxford L)

Van Horne, Ronald G. (London North L)

Velshi, Murad (Don Mills L)

Villeneuve, Noble (Stormont, Dundas and Glengarry PC)

**Ward, Hon. Christopher C.**, Minister of Education (Wentworth North L)

Wildman, Bud (Algoma NDP)

**Wilson, Hon. Mavis**, Minister without Portfolio (Dufferin-Peel L)

Wiseman, Douglas J. (Lanark-Renfrew PC)

**Wong, Hon. Robert C.**, Minister of Energy (Fort York L)

**Wrye, Hon. William**, Minister of Consumer and Commercial Relations (Windsor-Sandwich L)

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# Hansard

## Official Report of Debates

### Legislative Assembly of Ontario



**First Session, 34th Parliament**

Thursday, December 17, 1987

Speaker: Honourable Hugh A. Edighoffer

Clerk of the House: Claude L. DesRosiers

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# LEGISLATIVE ASSEMBLY OF ONTARIO

Thursday, December 17, 1987

The House met at 10 a.m.

Prayers.

## ORDERS OF THE DAY

### PRIVATE MEMBERS' PUBLIC BUSINESS

#### AUTOMOBILE INSURANCE

Mr. M. C. Ray moved resolution 7:

That, in the opinion of this House, the government of Ontario should amend the Insurance Act, RSO 1980, to regulate prepaid premiums for motor vehicle liability insurance policies to provide that premiums are held in trust for the insured until earned, and interest earned on the trust funds, until transferred from trust, would be paid to the insured.

**Mr. M. C. Ray:** The intention of the resolution is to provide motor vehicle owners with two forms of assistance, the first being that the premium money paid in advance to insurance companies remains the money of the insured vehicle owner until it is actually earned by the company. If prepaid premiums are trust moneys in the hands of insurance companies, motor vehicle owners are protected from the loss of their advance payments in the event of bankruptcy or receivership of the insurance company.

Second, this resolution provides that interest be paid to motor vehicle owners on premiums paid in advance. Under the current situation, insurance companies demand advance payment from their policyholders, with limited opportunity for instalment payments and, of course, without compensation for the lost income that policyholders thereby incur. The result is that the insurance companies have substantial cash flow without the funds being at risk.

All this is to the detriment of motor vehicle owners who prepay premiums for no immediate service in return and lose the interest income on their prepayment. In this day of higher and escalating insurance premiums, these types of benefits will assist, protect or reduce the burden on policyholders, particularly low-income earners, young drivers and fleet operators.

This resolution is consistent with other consumer legislation in recent years which has sought to protect consumers from the loss of prepaid moneys and which compelled trustees of

the moneys to pay or credit interest thereon to the consumer. Members of this House will recall some examples.

The intent of the recently introduced Prepaid Services Act is to provide consumer protection from loss of travel funds paid in advance and to provide for interest payments to the traveller. The Prepaid Funeral Services Act similarly creates a trust situation to protect the consumer and provides that the consumer rather than the funeral director or operator receives the interest income. In a similar fashion, the Landlord and Tenant Act and/or the Residential Tenancies Act provide that interest be paid annually to the tenant on deposits made for the last month's rent.

This resolution arises out of a complaint I received from a constituent, a Michael L. McCourt, president and general manager of a family owned and operated business in Windsor known as McCourt Cartage Ltd. This company, which was established in 1928, employs 50 people and has survived all depressions and recessions since that day. Mr. McCourt writes as follows, in part:

"I would like to know how an insurance company can demand that you put a deposit premium up front before you receive insurance and not have to pay any interest on this money even though they will obviously use this money to generate income.

"In 1985, I was informed by my insurance company that they were not going to renew my fleet insurance policy. This left us in a hell of a fix because it left only about three companies writing the insurance that we needed. We found a company to write our insurance at about three times the premium we paid the previous year.

"If that was not bad enough, they demanded that we send them \$35,000 up front before the policy could be issued. We were still required to pay our premiums every month according to our gross revenue and we were to receive nothing for the money that we sent them.

"As luck would have it, this company's parent company got into financial trouble. The company was wound down and my money, which was not owed to them or earned by them, was thrown into the pot with all other moneys.



"I then had to scramble and managed to become insured with Markel at twice the premium that was required with United Canada. Now, in less than one year, I was paying five times what my premiums had been. Markel also required that I send them \$50,000 before they would issue a policy.

"It has been almost two years now and the money is still somewhere within the Markel organization. They are free to use the money to generate income and I, even though it is my money, am not entitled to any of it.

"I have two questions:

"1. Why should my money that was given to United Canada up front be put into a common pot and returned to me at so many cents on the dollar?

"2. How come Markel can take my \$50,000 and utilize it in any way they please to generate income and I do not receive anything for it?"

I believe this letter demonstrates some of the fundamental deficiencies and unfairness of the current insurance act which this resolution seeks to remedy. I therefore trust that honourable members of this Legislature will approve this resolution and I urge the Minister of Financial Institutions (Mr. R. F. Nixon) to bring forward appropriate amendments to the Insurance Act.

1010

**Mr. Swart:** I want to deal with the resolution we have before us and I want to say at the very beginning that there is not a member in this House who does not know about the problems related to auto insurance. Regardless of what members in the government party have said when the debate took place, they are not having many people come to them about their problems. If they are not, I suggest it is because people know members are not receptive to their problems. But I suggest everyone here knows about the problems that do exist in auto insurance as far as the drivers of this province are concerned.

Although the intent of the member's resolution may be good and may be genuine, I really think it is one of the silliest resolutions I have seen before this Legislature because it really does not do anything to resolve the horrendous problems that do exist for drivers in this province. It is another attempt by people in the government party to flail around and pretend to be doing something about insurance but not do anything real. This does not deal with the real problems in the auto insurance industry, and I am sure members of this House, if they think in some depth, will realize that.

I am not sure why the member limited this to liability insurance. I would think if they were going to set up this money in a trust, it would be

all the money paid in for insurance, so why the member only mentions liability I do not know. That in itself proves again how weak and ineffective is the resolution we have before us. Certainly, it does not deal with the problem that the member's own constituent had of having his rates go up three times. His insurance rates tripled. The resolution only deals with one small part of that.

I also have to wonder whether the member does support his own government with regard to a rate review board. If he does—and of course I do not because a rate review board is not the answer either—then he must know that the proposed board, according to statements by the former Minister of Financial Institutions and even statements of the present Minister of Financial Institutions, will consider all income, including the interest on the money that comes in, and will set the rates based on all that income.

It is perfectly obvious if one is going to have that interest accrue to the benefit of the person who pays the premium, as this implies, it means that the industry will not get that money and in fact the rates will have to be increased to make up for this money which the industry no longer gets as revenue. It will be paid out and accrue to the premiums for that member, so it is not going to have any beneficial effect under the rate review board. It will have no beneficial effect whatsoever on the rate a person will be paying.

We are talking here, I suppose, about interest reductions in the neighbourhood of about \$135 million altogether, which sounds like quite a lot. To me, and perhaps to you too, Mr. Speaker, \$135 million sounds like quite a bit but, as I say, that is \$135 million the companies will not get so they will have to up the rates to make up for that amount. In my understanding, about half of the premiums written now are for a six-month period in auto insurance and about half of the premiums are for a year. Considering the total premiums are about \$3 billion, that is about the money that would be saved.

It is important to point out that is the exact amount of money the Minister of Financial Institutions will take from the motorists of this province and give to the insurance companies on January 1, 1988, by allowing the 4.5 per cent increase, an increase which, incidentally, he has awarded to them without doing the slightest investigation to determine whether they need that increase. It is wholly ineffective in dealing with the insurance problem we have.

By contrast, it is worth pointing out, as was pointed out by my leader, that the latest figures



which come from the insurance industry show that last year, 1986, the companies used an amount equal to 42.5 cents of every premium dollar in expenses and profit, which means that the people only got 57.5 per cent back on every dollar they paid in. The public plan in British Columbia, and these figures are taken from the annual report, uses only 20 cents on the dollar and pays back 80 cents in claims. In Manitoba, it is 20.4 per cent. If we had a public plan here—

Interjections.

**Mr. Swart:** I will ignore the interjections, Mr. Speaker. You would applaud that attitude, would you not?

If we had one of those public plans here and we could save 22.5 per cent, that would be \$675 million the government would be saving for the people of this province and it would not have to raise premiums to save that kind of money as will have to be done with the proposal being made by the member for Windsor-Walkerville (Mr. M. C. Ray).

This does not deal, of course, with the whole problem of interest. The insurance companies make tremendous interest on their investments. The member is proposing getting back the interest on premiums until they are earned, but what about the interest insurance companies are making on their investments? Last year, according to Statistics Canada, they made in the neighbourhood of \$1.7 billion interest on investments. That is all their investments, but auto insurance is the big one. Auto insurance is the one where the money stays for a long period of time, where they get most of their interest on investments.

Boy, would I ever like to see a resolution here in this House that all the money in interest on their investments be returned to reduce premiums. If we got that kind of money coming back in, it would have some meaning, as the money comes back in in the western provinces. Last year in British Columbia, I am going by memory but I believe the amount that came back in to reduce premiums equalled 18 per cent of the premiums. In Manitoba, something like 14 per cent or 16 per cent came back in to reduce premiums.

We do not start touching the interest rates on what people should be getting back. Mr. Speaker, you would understand, I am sure, that of the total premiums paid in this year by three years from now less than half of that money is paid out in claims. So the insurance companies have huge investments on which they are drawing interest, but there is no law in Ontario at the present time which says that money must be

used to reduce premiums, even though that is the money people paid in.

There is no doubt in my mind that, as sincere as the member may be in introducing this resolution, it has no reality in dealing with the massive problems that exist in the insurance industry as far as drivers are concerned in this province. It has no real impact; in fact, it will not have any impact at all on reducing rates for the people of this province and, therefore, this resolution, as far as I am concerned, is meaningless. I am not prepared to vote in this House for meaningless things with regard to auto insurance. I want the real thing, a driver-owned public insurance plan for this province.

1020

**Mr. Runciman:** It is always interesting to listen to the member for Welland-Thorold (Mr. Swart). If you mention the United States or insurance companies, the members of the New Democratic Party go into a frenzy. It is predictable. I go into a frenzy when you mention the Liberal Party.

It is with some regret that I want to inform the member for Windsor-Walkerville that our party, as well as the official opposition, is not going to support his resolution. I can appreciate the time pressures that he found himself in as a new member when he was told, following the draw, he had to get a piece of business in there in very short order, so you do what you can.

But I feel this is somewhat a case of overkill in respect to the insurance industry with Bill 2 before this House, which is obviously a very significant piece of business, and now the member's bill which again, in my view, uses the insurance industry as whipping boys. In the end, the people who really are hurt by this kind of legislation, specially by the significant interference into the private sector of Bill 2, are the consumers of this province.

I have been trying to talk about where this government is taking us in respect to auto insurance. I said during the debate on Bill 2 that that particular bill was a first step on the slippery slope towards government-run, state-run auto insurance. I believe that, and I believe the second step will come early in the new year in an announcement that we are going to move towards comprehensive no-fault insurance.

In my view at least, this government, at least the key players, is a left-wing interventionist group. One of the comments in a journal yesterday—it was the official Liberal Party organ, the Red Star, as it is known in certain circles—in an article by Rosemary Speirs, was that the



speech of the Attorney General (Mr. Scott) indicated that there may be a constitutional challenge against the free trade agreement. One of the concerns expressed was that the free trade agreement would limit the government's ability to intervene in the economy, but specifically, it could compel the government to compensate private insurance companies when the government moves to state-run auto insurance.

I thought that was a pretty significant little item and in my view is indicative of the mindset of the key players in that government, the people who really make the decisions, the five or six people on the front benches and the people in the office of the Premier (Mr. Peterson), the people who really make the decisions in this government.

Another significant comment that was made during the debate on Bill 2, which received no notice, was the remark of the Deputy Premier (Mr. R. F. Nixon) that public auto insurance, state-run auto insurance, was not anathema to the Deputy Premier. He did not find anything terribly wrong with state-run auto insurance. That is the Deputy Premier making a comment like that.

People who have been supportive of this government for the past two and a half years, especially those in the business world, say, "Well, they have to make these kinds of adjustments because of the folks on this side." The reality is what we have been saying, that essentially we have a government that is anti-business and Bill 2 is a significant intrusion and this ballot item 7 is more interference in the private sector, interference that in many cases is not justified and will hurt the interests of consumers in this province in years to come.

Talking about some specifics about the ballot item—and perhaps the member would want to respond to them in the time that is left to him—the resolution does not specify how interest is to be calculated on the unearned portion of the premium. Is it to be calculated on a monthly basis or on an annual basis? We hope the sponsor will deal with that later in the debate.

The resolution does not specify how the interest is to be paid to the insured. For instance, payment could take the form of a cash transfer, where the interest could be applied to the insured's account as a credit against the next premium payment; or using a discounted cash-flow approach, the premium could be reduced by the estimated amount of the interest earned on the unearned premiums.

In our view, the resolution would create an administrative problem for the insurance companies. They would have to track, for every insured person, the portion of the premium that was unearned, the amount of interest earned on the unearned portion of the premium and provide for payout or crediting of the interest.

In short, this resolution would set up a system that would increase the companies' administrative costs. One thing the Leader of the Opposition (Mr. B. Rae) has been talking about is that the administrative costs of insurance companies are excessive now. What we are suggesting through this resolution is that we are going to further increase those administrative costs. What happens again? We have increased pressure on the premiums, the money that you and I pay out.

In addition, the resolution would cut into an insurance company's return on its investment portfolio, which is funded by reserves and unearned premiums. By reducing investment income, the resolution would put upward pressure on premiums. That is what we have been hearing about in the past two and a half years, the concern about premiums, the increases in premiums. We have this resolution coming into the House that again is going to achieve directly the opposite of what we all would like to see occur, that is, increased upward pressure on auto insurance premiums in this province.

Hopefully, the member will respond to that as well. We have taken a look at it, we have talked to a number of people in the industry and one consumer group, and we are having difficulty finding any support out there for this resolution simply because of the impact it could have on premiums.

We are certainly going to be strongly opposing Bill 2 during the committee hearing process and introducing a number of amendments which we think could make it palatable. There is no doubt, with the government numbers, that the bill in February, when the House resumes—that is, if we just do not keep going right through until February, which I guess is a real possibility given the attitude of the government House leader. In any event, whenever we have to deal with Bill 2, which I do not think will be any later than mid-February, it is obvious that it is going to pass, and probably in all likelihood it is going to pass unamended.

We think it is wrong, to say the least, to proceed with a resolution like this, which again, I suspect, is going to have the support of the member's colleagues. But I hope the minister responsible, the Minister of Financial Institu-



tions, does not take that as any clear indication of the wishes of this House, because quite clearly it certainly is not the wish of this party or the official opposition. We do not want him to read anything into the vote that is going to occur later this morning other than support for a fellow colleague.

We are going to see Bill 2 go into the system. I predict that it is going to have dire consequences for the consumers of this province. It is going to lead directly where these folks want the government to go, but not quickly enough, obviously. In any event, we think Bill 2 is going to go into the system. We will see what happens. We should not be further tinkering with the system at this stage.

Therefore, our party cannot and will not support the member's resolution, although I do wish him a Merry Christmas and a Happy New Year.

1030

**Mr. Callahan:** I have listened very closely to what I would refer to as the bookends. First, we had the extreme left and then we had the extreme right.

**Mr. R. F. Johnston:** Now we have the mushy middle.

**Mr. Callahan:** That is right. Now we have middle of the road. Middle of the road, just like bland, is what the people of Ontario really look forward to. They proved that in the last election. Mr. Grossman, who was the bookend on the right end, found himself out on Bay Street simply because he was to the right of Attila the Hun. I think that is a message that perhaps suddenly should filter over to the third party, that right wing does not work. I think perhaps it should filter over to the official opposition that left wing does not work, but I want to get on to the meat of the particular motion.

I thought the member for Welland-Thorold, who is usually a very gracious individual, was somewhat hard on our new member for Windsor-Walkerville in immediately saying that his resolution is silly. Nothing in this House, by any honourable member, is silly. It is a conscious effort to try to serve his community and the province of Ontario. On the other side of the coin, the member for Leeds-Grenville (Mr. Runciman), the right end of the bookends, was very fair. He perhaps put it in perspective when he said that when a new member comes to Queen's Park and finds himself or herself early on the ballot, he looks to contribute something meaningful in the capital of Ontario. In so doing, he presents his ballot and presents his issue.

When I first looked at the motion, preparatory to speaking on it, I was not quite clear what the member was trying to get at. I have had an opportunity of hearing his opening comments and I think his opening comments have been missed by both the right and left bookends. In fact, what this gentleman is saying is that we should have protection for individuals who pay their premiums in good faith to an insurance company and perhaps find that insurance company does not survive and goes under. What he is saying is, if you pay for a commodity, there should be some degree of protection, that in fact that premium that is prepaid will be saved if the insurance company does not survive the period for which they have contracted to provide coverage.

**Mr. Wildman:** That is not like you.

**Mr. Callahan:** I would have read it a different way. In fact, the way I read it at first was I presumed that the member was saying that if you prepay your premium the insurance company has an obligation to provide interest on your prepayment. With that, I would have to disagree simply because the contract of insurance is one to cover you for liability against an accident. They do not say, "We are covering you for tomorrow morning and then we will cover you for the next day and then we will cover you for the day after." They enter into a binding agreement that says, "We will cover you if you have an accident." That being the case, then the commodity has been purchased and, therefore, the price has been paid in full. I suggest under those circumstances interest would be inappropriate.

I think interest is more appropriate in cases where there is a trust imposed upon the money. I suppose any member of the Legislature who is of that revered profession, although down here it does not seem to be so revered, the legal profession, will know that on your trust account interest is paid. In the past, institutions, such as the banks, used to have the opportunity of just keeping that money. Then the august body that governs lawyers got smart and they halved it with the bank. Half of it went to support the legal aid program and the other half went to the bank and the bank then did not charge any service charges on the particular lawyer's trust—I am not sure if it is trust or general account. In fact, that is the place where I think interest is required.

Now if the member is saying that these are trust moneys—and if in fact they are trust moneys—then interest is appropriate, but I do not think that is the case. I think in the matter of insurance you are buying the commodity. You



have effected your contract and you have paid for it. You are not entitled to interest.

However, then I thought to myself, on the other side of the coin—and you can argue this about three different ways; I am about to go into the third way. If you paid your premium on a monthly basis you in fact pay a charge to the insurance company to pay it on a monthly basis.

Now if they can charge you to pay it on a monthly basis, then it might follow, from what the member for Windsor-Walkerville has said in his motion, that they should perhaps pay interest on the prepayment; which raises something that always bothered me with things such as utility bills. Utility bills would always charge you a penalty if you did not pay them before a certain date, and that was a problem for people who were senior citizens and had budgeted their funds, and yet, if they paid in advance, there might in some cases, not always, be a discount. I figure that what is fair for one side is fair for the other side.

In addition to that, what the member for Windsor-Walkerville is suggesting is not really all that outrageous, because this Legislature, about five, perhaps 10 years ago, introduced a concept of prejudgement interest. The whole rationale of introducing that prejudgement interest was to avoid exactly what was going on. There were lengthy delays in settling lawsuits, particularly motor vehicle accidents, where the money sat in the coffers of the insurance companies until a settlement was finally effected. It was an incentive, let us say, to get on with the issue and to see that people were compensated for the very nub of what insurance is for, to compensate people who are injured, who have suffered loss, and not to string out a process to their detriment.

We thought that prejudgement interest was an excellent tool to deal with that. We now find that prejudgement interest may very well be at the root of the high cost of insurance. So, to this extent, I agree with the member for Leeds-Grenville—and this is probably the last time I will ever agree with the gentleman from Leeds-Grenville—if you are going to adjust or tamper with a particular piece of legislation it is imperative that it be done in such a way that you examine the impacts. I think that old law of physics is that to every action there will be an equal reaction.

So I would love to support the motion by my colleague from Windsor-Walkerville because I know how it is in this House, as a rookie, to introduce a motion and have everybody vote against it, because that happened to me. I

introduced a motion which would require municipal councillors to vote their salaries in advance of their going to the polls for an election, and not being able to change their salaries for the entire term, other than to reduce their salaries.

The honourable members in this House did not think that was a good motion even though perhaps a year prior to that, the trustees, under the Education Act, had in fact been governed by exactly the same amendment.

So I say to the member for Windsor-Walkerville, the fact that he may or may not lose this motion should not discourage him because oft-times the vote that takes place in this House, particularly during private member's hour, has not been given the thought that perhaps it should have been given; and the statement that he makes today, which is voted against as perhaps not being appropriate at this hour, may be appropriate some hour down the line.

I say that I feel very badly that I cannot vote for it, but I think, for the reasons I have just stated, that on either one of the principles it would be inappropriate and I will be voting against the motion.

**Mr. Farnan:** I would just like to make some general remarks relevant to the debate surrounding the private member's bill and to introduce them by some observations.

First, I do have respect for the viewpoints put forward by the Progressive Conservative members on most issues, mainly because I know where they stand. They seem to state what their position is. They are usually wrong, but at least I do know where they stand. That is very admirable. At the same time, I have some fondness for positions put forward by the Liberal members. Generally speaking, given time, given a lot of persuasion and given many years of hard work, they can be persuaded to take progressive positions that are valuable, but it does take time and it does take a lot of hard work.

**1040**

Last night, when reading over an article by Tommy Douglas, a famous Co-operative Commonwealth Federation and New Democratic Party leader, I was reflecting and recalling his parable of mouseland. It struck me that in my short experience in the House much that has transpired here fits very comfortably into the parable described by Tommy Douglas. Most of the members here are familiar with that parable and I will not go over it and recount it.

**Mr. Fleet:** I haven't heard it. I want to hear it.

**Mr. McClelland:** I want to hear it.



**Mr. Farnan:** Just for the record, let me make the point that the mice of mouseland, as they trooped to the polls, elected a government of black cats. Of course, the problem for those unfortunate mice was that the cats passed laws that were good for cats. When they were totally disillusioned with the black cats—sometimes it takes a long time; sometimes it takes up to 42 years—and another election rolled around, what happened was they voted in the white cats. The white cats made promises. In this parable, Tommy Douglas points out that, unfortunately, a particular brand of cat is even more dangerous to the mice, and that is the type of cat that is spotted, cats that speak like mice and think and act like cats. I look at the analogy we face today, the analogy of free trade, and I see what is happening. We have cats that are speaking like mice but thinking and acting like cats.

I see this morning that the private member's bill, as the member for Welland-Thorold pointed out, does not really grasp the root problems in the insurance industry. There is some little bit of movement there, but it does not address the real problems. Of course, the member for Brampton South (Mr. Callahan), who said he could not support the bill, in his statement said, "You now, maybe down the road we can support this bill." Maybe that is four or five years down the road. Maybe in 42 years this government could support this bill, but right now it is not going to attack the essential problems in the insurance industry. That is for sure; not with this private member's bill and not with the government bill presently before the House. They are not going to attack the problems in the insurance industry until they address the real issues as they were described by the member for Welland-Thorold.

It is a reality, whether it is insurance or whether it is free trade, that as we look at issues coming forward from private members on the government side of the House or at government bills coming forward from the government side of the House, what we have in essence is legislation that does not address the real needs of the people of Ontario. They talk the language. They have camouflage. They go out there and give the impression that indeed their real interest is for the ordinary people of this province, but we must remember that their agenda is an agenda for cats and not for mice.

**The Deputy Speaker:** Do other members wish to participate in the debate? If not, does the member for Windsor-Walkerville wish to reply?

**Mr. M. C. Ray:** I have just a few remarks. First, this motion was not intended to be, as some

might suggest, an all-inclusive answer to the auto industry problems. It is interesting again to listen to the New Democratic Party chorus, as it usually is, with regard to publicly owned auto insurance. I would like to have the members of the opposition come to my riding as they did during the election and explain to senior citizens and the elderly who cannot afford or do not want to drive automobiles why they should pay to subsidize the auto insurance premiums of taxi fleets, trucking companies and other drivers, because that is exactly what happens when the government is called upon to subsidize publicly owned companies.

**Mr. Wildman:** What a silly, silly comment.

**Mr. M. C. Ray:** The western experience, which they do not like to refer to, shows us that millions upon millions have been pumped in to subsidize publicly owned auto insurance plans. That means ordinary taxpayers, ordinary people who pay to run the government, have to subsidize the trucking companies and the taxi fleets and others who can afford to own an automobile and can afford to pay auto insurance. I do not think that is a fair system.

**Mr. Wildman:** Why are you putting down the elderly so much?

**Mr. M. C. Ray:** I invite the member to come to 920 Ouellette in Windsor, a senior citizen's building, and explain to those people why they should pay auto insurance through their tax system.

**Mr. Wildman:** You obviously don't talk to them. They care a lot more than you do.

**Mr. M. C. Ray:** I just went through an election in that city, the capital of labour in Canada, I might tell the member, in my riding of Windsor-Walkerville where the taxpayers of this province did not buy his program.

I do not think Mr. McCourt in Windsor thinks this resolution is silly. I do not think this House thought similar legislation was silly when it passed the Prepaid Hospital and Medical Services Act, when it passed the Prearranged Funeral Services Act, and when it passed the provisions of the Landlord and Tenant Act and the Residential Tenancies Act which provided that interest would be paid and that moneys would be impressed with a trust in some circumstances.

That is the nature of this motion. It is not meant to be an all-inclusive answer to the auto insurance question. The Liberal platform is extensive in that regard and members will hear a great deal about it when we come to deal with Bill 2 and the



other forms of relief the public is entitled to with respect to the problems in the insurance industry.

**The Deputy Speaker:** This concludes the debate on Mr. Ray's resolution. As this debate was supposed to end at 11:02 this morning, the standing orders provide that the time available will be divided equally. Is there unanimous consent of the House to proceed to the next order of the day?

Agreed to.

1050

### COMMUNITY MENTAL HEALTH SERVICES ACT

Mr. Reville moved second reading of Bill 50, An Act to provide for Community Mental Health Services.

**The Deputy Speaker:** The member has up to 20 minutes to make his presentation, of which he may reserve any portion for the windup at the end.

**Mr. Reville:** I am proud to present to the Legislature today Bill 50, the Community Mental Health Services Act. As I read the cover of the bill, where it says, "1st Session, 34th Legislature, Ontario," I note how happy I am to be a member of this 34th Legislature. I also note that it says "36 Elizabeth II, 1987." It was in 1967, almost exactly 20 years ago, when I was discharged from Kingston Psychiatric Hospital after having spent a year and a half there.

I came out into a community which had virtually nothing in the way of community mental health services. In those days, many of the kinds of services we talk about today did not yet exist. In the 20 years that have passed, a great deal has happened. I think one of the most remarkable things that has happened in terms of the way we deal with the mentally ill in Ontario is the phenomenon called deinstitutionalization. In fact, Ontario, in the late 1960s and early 1970s, actually closed down 75 per cent of its psychiatric hospital beds. People who had spent many, many years in institutions were suddenly released into communities that were ill-prepared to receive them.

There is no question that over the last 20 years there has been a growth in community mental health programming, so that today in Ontario the Ministry of Health is spending about \$65 million on community mental health programming. This is not to say, however, that this level of programming is adequate. There are some excellent programs available, but in almost every case the demand exceeds the supply and in many

cases the services are available in a very spotty way. For instance, north of the French River, in 1986 there were only 34 supported housing beds; 34 beds for people coming out of hospital in all of northern Ontario. It strikes me that this is one of the most glaring inadequacies in our community mental health services.

I want to remind the members of the Legislature of something that may already have been brought to their attention for other reasons. Today is the second anniversary of the death of Drina Joubert who died of exposure not very far from the Legislature in a truck in an alley-way on Sherbourne Street. In her memory, the Legislature is behooved to take action to put in place the kinds of supportive services that would have saved her life.

During the inquest into the circumstances surrounding Drina Joubert's death, it was estimated that in the last year of her life, Ms. Joubert consumed over \$85,000 worth of services of various kinds. Regrettably, the services she consumed were not timely; nor were they appropriate. They included days on which she was using a hospital bed in a psychiatric unit of a general hospital at around \$500 a day. There were days when she was in a detox at around \$90 a day. There were days when she was in the Queen Street Mental Health Centre at around \$200 a day. There were many, many days when she was in a hostel at around \$25 a day. Then, of course, there were those days when she slept in the truck at no cost to society but clearly at no benefit to her.

Her story is a good example, in my view, of the situation that confronts people who have had mental health problems and who may have them again. They are at times overresourced and at other times badly underresourced.

The implications of the lack of community supports are serious. One implication is that we have a large number of blocked hospital beds, some would estimate more than the Provincial Auditor suggests at 25 per cent. Those beds are blocked because the people who occupy the beds, while not seriously ill, cannot be released into the community because there is nothing to which to release them.

Another implication is the 60 per cent to 70 per cent recidivism rate for people with a serious mental illness. On any given day at a place like the Queen Street Mental Health Centre, 60 per cent to 70 per cent of the census of that hospital has already been there once this year. Community mental health program delivery people say it is the lack of community support that deepens or



creates crises so that people have to be rehospitalized.

The third implication, of course, is the daily and often desperate struggle for survival that people undergo between periods of hospitalization, in which often their only home is a crummy boarding and lodging house, often in a section of town like Parkdale. Sometimes a 24-hour doughnut store is their home. At all times, many ex-psychiatric patients face severe economic deprivation and severe social deprivation, without something meaningful to do, without a decent place to live and without adequate income.

The auditor's report, I am grateful to say, points out some of the failings of our community mental health system. For instance, the auditor notes the shortage of good quality, affordable housing. The housing that does exist offers no rehabilitation. The auditor notes the inadequate conditions of residential care homes because the support services are inadequate or often nonexistent. The auditor notes that some operators are permitted to continue operating despite failing to comply with licensing conditions because inspectors are aware of the shortage of alternatives. The auditor notes as well that supportive housing units, workshops and clinics have received increased funding, but there continues to be a shortage of services across the province.

In this morning's Toronto Star is a letter from Paul Sherman who is the chairman of the Ontario Federation of Community Mental Health and Addictions Programs. This is a new federation. It is an umbrella group of a large number of agencies that deliver all the community mental health programming in Ontario.

Mr. Sherman says: "Despite a long-standing government policy of deinstitutionalization, the funding commitment to establish a mental health service system has not been evident. Currently, community mental health receives six per cent of the total mental health budget and less than six tenths of one per cent of the total health budget."

This for a set of conditions and mental health problems that in fact are responsible for a very high percentage of total admissions to hospital which will, statistics show, strike over 12 per cent of the population; that is, one in every eight people will suffer mental health problems of sufficient severity to require hospitalization.

**1100**

I want to remind members of the Legislature of a letter which they received earlier this week. It is a letter from Howard Richardson, the executive director of the Canadian Mental Health Associa-

tion, Ontario division, and it recalls to members' attention the survey that CMHA did during the election period and the results it received from all the members of the Legislature.

Mr. Richardson says: "One survey question will be of interest to you in relation to the recently introduced Bill 50, An Act to provide for Community Mental Health Services. The survey question asked if respondents supported CMHA's call for a community mental health act which would legislate a minimum level and range of local and regional community mental health programs. Overall, 85 per cent of the respondents supported such legislation and of the elected members responding, 71 per cent were in support. Given this clear indication of support for such an initiative, we urge you to support Bill 50 at second reading on December 17, 1987."

I think it is particularly timely for the Legislature to adopt this bill on second reading, send it to committee, where we can have hearings and where committee members can hear from consumer groups, advocates and people who deliver community mental health services, because the Ministry of Health has announced a working group on community mental health services. The working group, it says here on October 13, wants to define what constitutes a comprehensive community mental health system. In fact, the first substantive section of Bill 50 defines comprehensive principles and the second substantive section defines comprehensive services that should make up a system of community mental health.

I understand that the Ministry of Health and the government of Ontario are committed to doubling the size of the community mental health program budget. That is something I welcome. I am concerned, however, that the doubling is going to take place over three years and that some of the additional money will have to go to improving the salary levels of those who deliver community mental health services because they are being remunerated at levels which are far less than those in the public psychiatric hospital sector. Of course, the community mental health sector keeps losing people to the government sector.

A significant amount of the rest of the money will go to dealing with the waiting lists for community mental health programs that now exist.

I would like to reserve the balance of my time, Mr. Speaker, and listen to what other members of the Legislature may have to say.



**Mr. Eves:** As Health critic, it is my pleasure to rise on behalf of our party and address this proposed bill, which we will be supporting.

Bill 50, defines the types of programs which should be available to persons seeking mental health services and, specifically, the bill legislates individualized programs which are set up with the help of the client, programs which will allow the client to attain as much self-sufficiency as is possible, annual reviews of individualized programs, and programs designed to meet the needs of clients in defined geographic areas, which I think is a very important aspect of the legislation.

Co-ordination of services in a geographic area will be delegated to a specific authority. The services should be responsive to the changing needs of the client group and the bill goes on to say that consultation with conflict-free advocacy groups should take place to ensure responsiveness. The delegated specific authority must provide the following programs: housing, life skills training, medical and psychiatric services, co-ordination of programs and, as I have said, advocacy services.

During the recent 1987 provincial election campaign, the Canadian Mental Health Association surveyed all candidates regarding community mental health services. In a September 4, 1987, press release, the association said that all three parties supported its call for a community mental health act. The government party election promise provides for an increase of \$81.7 million for mental health programs over the next three years. As my colleague has already alluded, although that would double the number of people being served by community mental health programs across the province, it is also going to take three years to accomplish. No mention was made of potential legislation to ensure that this was done.

This year, the province is spending \$65.3 million on community mental health programs, but only 13.9 per cent of the mental health branch budget is represented by those programs, and \$293 million is being spent on psychiatric services. Four per cent of the total ministry budget for 1987-88 is for the mental health branch and 41 per cent of the mental health budget is targeted for the community mental health branch.

The community mental health services program was established in Ontario over a decade ago. Mental illness is the country's fourth most common reason for ending up in hospital. One in six people will be treated for a mental illness

during their lives and one in eight will be put in hospital for that illness. Thirty per cent of the 20,000 to 40,000 homeless Canadians suffer from some form of mental illness.

The community mental health programs in the province this year number 303. That is up from 206 just four years ago. On May 4, 1987, the former Minister of Health, the member for Bruce (Mr. Elston), told the community mental health programs federation that the ministry priority for the time being will be to enhance and monitor the programs that already exist. We think we need much more than that. We think we need an expansion of community health programs throughout Ontario.

A very good example is my own riding of Parry Sound, where there is really no community mental health program per se. Currently, we have a group of concerned citizens and residents in the riding working in concert and with the co-operation of all the hospitals in the district of Parry Sound, trying to set up some sort of community mental health service program. Legislation such as this would certainly enhance that effort in many geographic areas of the province and, in particular, in northern Ontario.

The Canadian Mental Health Association provides 40 per cent of the community mental health programs in Ontario. They believe that what is needed is a comprehensive program, as I have said, of community mental health services in order to keep the psychiatrically disabled either out of expensive hospital beds or from having to live in our streets in intolerable conditions.

Community mental health services are definitely not distributed equally across Ontario. In Metropolitan Toronto, the majority of programs are located in the downtown area and are not easily accessible to most Metro Toronto residents. There are approximately 3,000 to 4,000 people living on the streets of Metro who have psychiatric disabilities. Four years ago, a patient discharged from the Queen Street Mental Health Centre had 15 or 16 housing choices. Today, only one or two choices exist. In 1983, 183 patients of the Queen Street centre stayed three months or longer. This year, that figure is 224, or 40 per cent higher. Of those 224 patients, 87 could be released from the hospital if there was somewhere they could be sent where they would receive a fair degree of supervision, but no such place exists.

**1110**

During 1985, the Progressive Conservative government had a contract in northeastern



Ontario with Dr. Covington to set up psychiatric clinics in northeastern Ontario. When the Liberal Party took over the government of Ontario, it chose not to honour the contract with Dr. Covington and the doctor has since left the province. There has been no work done on clinical services since that time, even though the need was definitely identified by the previous government.

Late in 1984, the member for Cochrane South (Mr. Pope), as Minister of Health, appointed a steering committee of representatives from northeastern Ontario to establish a model and practical implementation strategy for mental health programs in northeastern Ontario. That report was released on September 30, 1986. The proposed model closely resembles the model proposed in the bill of my colleague the member for Riverdale (Mr. Reville).

The report cited the following as the main problems with the present system of mental health services in northeastern Ontario: services are centred in large communities, there is a distinct lack of francophone services, there is a lack of co-ordination with existing services, there is a lack of communication among existing services, a lack of professionals and training programs, a lack of programs and services for ex-psychiatric patients, for sure a lack of services in remote areas of the province, distance, isolation in geography of areas and generally disappointment with the present regional services in northeastern Ontario and the province of Ontario.

Services for native persons is another aspect of community mental health. The Brant District Health Council has given top priority to the lack of mental health services on the Six Nations Indian reserve for the last three years. The ministry has been ignoring the call for a mental health program for the reserve. The director of the community health centre there says: "The province does not consider the mental health of Indians to be its problem. It thinks it is a federal problem."

Likewise, services for rural Ontario are sadly lacking. One in three Ontario fatalities is a suicide. Eighty-eight per cent of farm families are suffering from stress-related problems. The provincial farmers in transition program includes a 24-hour distress hotline and family farm advisers who review farm operations and help farmers find alternatives to new life. However, farmers such as those in the Grey-Bruce area, the first area to be hard hit when farm financial crises

came in the early 1980s, do not trust the government-run transition program.

I think I have helped to highlight a few of the shortcomings of community mental health services across the province at large in my remarks in the preceding nine and a half minutes. Suffice it to say that our party, and I as an individual, will definitely be supporting Bill 50. We think it is a piece of legislation that is long overdue. It addresses the concerns of the steering committee that was established, as I said, by the member for Cochrane South when he was the Minister of Health and that report which came out in 1986. We think it is certainly a step in the right direction and I will be supporting the bill.

**Mr. Keyes:** I am pleased to enter into this particular debate on Bill 50 for several reasons, particularly because Bill 50 does embody many of the principles that I am sure everyone in this House cannot help but support. That is the principle of sound mental health. I happen to be one of those persons who belongs to a group that believes one's physical condition is, to perhaps 90 per cent, a factor of one's mental condition. Therefore, if we are to promote a healthy lifestyle, it certainly must have in it a major component of sound mental health.

However, I will not be supporting the bill this morning because of the fact that it does have several deficiencies. I want to explain clearly that the principle of it is appropriate to support and we believe—

**Mr. Harris:** We might support your amendments.

**Mr. Keyes:** I did not believe this morning, in the time that we have, we would gain that much by going through all the amendments, although there could be many which perhaps could make it more appropriate to be used. I feel that the bill at the moment is inappropriate and I will try to show briefly some of the deficiencies in the bill and also to talk a little more positively about some of the programs we have raised. I hope I may find time in eight minutes to refer to some of the points raised by the two previous speakers.

Basically, as we know, this draft legislation that we have is pretty well the same as was introduced during the discussions on Bill 190, which was ruled out of order at that time. We know there are a number of community groups that are proposing similar legislation and we have suggestions from the Ontario division of the Canadian Mental Health Association and the community mental health program federation. I know that all worthy MPPs in this House have been approached, I am sure, by representatives



of both those groups, either in person in their constituency offices or through letter writing.

We, as a government, are very much aware of the concern of Ontarians for this subject of sound mental health and a mental health philosophy and program across the province. That is why, in September of 1987, shortly after she was appointed, the Minister of Health (Mrs. Caplan) appointed Robert Graham to chair this provincial community mental health committee which is to develop the components for a very comprehensive model community mental health delivery system and also to provide advice to the minister. We have given Mr. Graham a very, very short time frame, as the members well know.

In the news release of October 13 referred to, which set out some of the purposes of the working group, I might just refer back to a paragraph: "The working group will develop a framework that will assist local district health councils in setting priorities and co-ordinating community mental health programs. This will help ensure that recently announced funding for community mental health will be allocated in an effective and efficient manner.'"

On August 28 the Premier (Mr. Peterson) did announce that there would be doubling of the client capacity. It was not specifically a statement of a doubling of funding, it was a doubling of client capacity over the next three years, with the annual expenditure of \$130 million by that time. I think it is important that we address ourselves to the fact that it is a doubling of client capacity which is the significant part of that announcement.

I would also like to mention a news release yesterday from Mr. Graham on the work that he has been carrying out. The working group will hold its next public meeting tomorrow in Guelph and we are sure that those persons from Guelph and area will come to make their views known to this committee.

Members may not be aware that the group held a meeting in Thunder Bay on December 4; it held one in Cornwall on December 11 and after the one tomorrow it still has four more. I urge all members to do their utmost to be sure that people attend and have their views known, both those of committees and other organized groups and individuals. The group will be in Metro Toronto on January 11, in Chatham on January 15, in Oshawa on January 22 and in Sudbury on January 29. I urge all members to be sure to become involved and invite all their citizenry to do likewise.

It is also significant to note that this whole idea of consultation with the public again just characterizes what we have been doing in this government in order to try to get the input from the populace of Ontario on issues that are of dire concern to each and every one of us.

I said I wanted to touch just briefly on the issue of deficiencies. I should talk about the fact that really what is being addressed in this legislation, but is not entirely clear, has a lot to do with the payment of services relating to the care and treatment of an individual in a facility. It appears that this would tend to set out legislation that suggests a specific amount of funding for the community mental health branch as well as OHIP claims for family physicians and psychiatrists.

#### 1120

There is a deficiency in the definitions. If we are going to define "minister," as we have done in part of the bill, then we should get into defining such other things as "patient," "disorder," "facility," "clinician" and "director," because without these descriptions and clear definitions it is not totally clear what the purpose of this act would be.

Under the section on components, there seems to be an implication for the community mental health program in relationship to the current nonmedical focus, and we are trying to do a great deal of focusing within the ministry on the nonmedical aspect of it.

I believe we should touch briefly, for a moment, on some of the programs and just think again of what the community mental health branch of our ministry is all about, and I quote:

"Community-based mental health services are intended to replace inpatient treatment with outpatient services wherever possible, reintegrate discharged patients into the community environment, locate mental health treatment and rehabilitation services as close to the homes of clients as possible and increase the range of choices of interventions or services available."

I would love to provide members a litany of the number of programs: 396 community-based programs are now in existence and received some \$95 million in funding in 1987-88. There are volunteer programs, supportive housing programs—which I will touch on very briefly—co-ordination programs, psychogeriatric, rehabilitation, self-help treatment, and particularly alcohol and drug addiction programs; all of which have been increasing in funding. In fact, since 1981 in drug and alcohol dependency alone the funding has increased by over 200 per cent,



going from \$21 million to currently \$95 million a year.

In the matter of supportive housing, which seems to be an issue that is particularly pressing with everyone, the work between the Ministry of Housing, as the lead ministry, the Ministry of Community and Social Services and our own ministry has been quite significant. In 1982-83, under a former administration, there were only 280 beds in this category and in 1987-88 we have 1,348 beds. I am not sure where my honourable friend opposite got his figures, which seem to differ slightly from mine, but my information suggests that is what we have.

These are all programs that have been designed and developed by community agencies and institutions in response to the locally identified needs and resources, and we plan to have considerably more, because within our ministry, we are currently undertaking a review to see exactly where we need to include more supportive housing. There is a working group that includes the Supportive Housing Coalition of Metropolitan Toronto, the Canadian Medical Association, the Ontario Alternative Housing Committee, the community mental health program and supportive housing program operators. We believe that we are on the right track in order to provide the appropriate type of funding.

May I just simply say also to the member for Parry Sound (Mr. Eves), who is not in the House now, that in the matter of francophone services I can again give a long litany of what is happening, but I believe the government has been working very diligently to increase in a large number of areas, actually as outlined in the bill, things we are doing to improve the status of those in need.

I simply say yes, I can support the principle of Bill 50, a sound mental health program in Ontario, and I believe we have such and are working towards that end; but it is inappropriate to bring forth the bill at this time. It is far better to integrate the whole role of sound community mental health programs into an overall community health program, which is the direction that this ministry is taking under the current minister.

I thank you, Madam Speaker, for the opportunity to speak to this very crucial issue on behalf of all Ontario's citizens.

**Mr. R. F. Johnston:** One might have expected an evolution of some sort in the trend towards conservatism by this government, but a metamorphosis has taken place. The definition of metamorphosis, of course, as members know, is that there is a sudden and dramatic change in a being so its original identity is no longer

recognizable. That is a much more appropriate term now, metamorphosis, for the conservatism that is now reigning on the other side of this House.

To listen to the parliamentary assistant for the Ministry of Health in a Liberal reform government today is only to listen to a Conservative parliamentary assistant many years past. It is just incomprehensible to me how he has changed. If this can be done in the first three months of a majority government, God knows what the next three to four years are going to mean for the people of Ontario as Bill Davis comes back to reign supreme once more.

I regret that I did not use my powers as chairman of the standing committee on social development in the last House less judiciously and less according to the orders than I was required to do. When it was brought to my attention during those hearings that an amendment to mental health legislation that was before us was going to be proposed which embodied the very things the member for Riverdale has brought forward today, I had to rule it out of order.

I should add that Liberals on that committee all thought the points within this Community Mental Health Services Act would be appropriate but should not be raised at committee. Now we find it is not appropriate to raise them today either in private members' legislation, even though the principle is supported. Of course, that is all he is being asked to support at second reading, I remind the parliamentary assistant, who perhaps as a past minister has forgotten these things. All he is required to do in second reading is to support a principle.

I am glad to hear the parliamentary assistant does support the principle and therefore he should support the bill. If he wishes it changed in any way and amended in terms of its detail, then that can be done in committee; that is the appropriate thing to do. But if he supports the principle, he should not vote against it, as I gather the government is intent upon doing.

With hindsight, I really do wish I had made that in order, because I hear today that the Conservative Party is supporting the member for Riverdale's motion, and therefore we could have had this as part of the legislation of the province if I had taken a slightly stronger hand perhaps and twisted the rules mildly to suit the purposes of the opposition in those days. Now, instead, we will be left with the same long, drawn-out, evolutionary process towards adequate mental health in the



community that the Tories initiated so many years ago.

I am sure the member for Riverdale has already mentioned this, but when you hear the litany of supposed programs that are out there to meet the need that the parliamentary assistant has just enunciated, and you contrast that with the budgetary fact that 94 per cent of the money of the ministry going into mental health goes into institutional care and only six per cent goes into community care, I think you can see the lie that is put to that litany.

I see in the gallery today people from the community mental health field, advocates for schizophrenics and others who understand how important it is to state as a principle of government that community mental health is as important as, if not more important than, institutionalized care.

What is fundamentally important about what the member for Riverdale is trying to do is he is saying that by bringing forward an act to provide community mental health services we would finally be giving that part of mental health programming the status that it deserves and be saying that the budgetary consequences should follow, that the step-by-step conservative approach that is being perpetuated by this government to adding additional programs here or there, but within a framework that has overall dependence on institutional care, has got to end and that the shift towards real community-centred services in an organized fashion with guaranteed rights for the patients involved is vital.

Nowhere in our legislation—I say this to any new members who want to look at the Mental Health Act in Ontario today—does it say that the patients should be involved in the decision-making around the services that are provided to them, a magnificent principle that is embodied in this legislation and vital to the good operation of community services.

Anybody who has been involved in mental health services in this province over the last number of years will know that one of the reasons for failure that we have presently, besides the hodgepodge of programs and the lack of co-ordination, is the fact that once somebody comes out of a mental institution he or she has certain rights which then do not allow him or her to be coerced into a program, and yet the kinds of programs we have established are those that do not involve the person in making decisions around his own welfare so that he will feel open about going in and not threatened.

1130

It is vital to understand the attitude of many mental health patients about the professions that deal with them and that the dangers of incarceration are always there for them, and that if you are going to have a good community services program available for them, the need for those people to make decisions with professionals about the programs they are involved with is just vital.

There are so many other principles in this legislation which has been brought forward that are not only commendable but absolutely necessary in terms of basically a bill of rights for mental health patients in the community that I find it absolutely incredible that the parliamentary assistant would not want us to pass this legislation in principle today, have it go out to a committee of the Legislature, which could then benefit by any other initiatives the government is taking in terms of investigations of this matter and offer some chance to the 95 souls on the other side who have little or nothing to do, if they are not parliamentary assistants or ministers, to actually have an effect on the development of coherent community mental health services in Ontario.

When we think today of what happens to people who are mentally ill in our society and how difficult it is to get them the programs they need—if we think of some of the cases that now come into the riding offices of new members or will certainly come into their offices over the next number of years, such as families coming in in crisis because they cannot find proper placement and the lack of meaningful supportive housing—it is incredible again that the minister would talk as if the initiatives that have been taken in terms of supportive housing are anywhere near adequate for what we need. I gather we may get an announcement today which is going to indicate that singles are finally going to be admitted into Ontario Housing, something that has been kept from them and from a whole series of mentally ill people who have fallen apart from their families because of the nature of their illness and have had no place even to rest their heads, let alone to get consistent programming.

What this act does essentially is to say to the francophones in northern Ontario, who have been going to Quebec for services now for decades because they cannot get services here, and to the people in small communities, who basically have to see their loved ones shipped off to towns where there is a major psychiatric institution rather than being serviced in their own



local community: "This act is an act of empowerment for you. This is an act that says your child, your brother, your sister or your mother has a chance to be dealt with in his or her own community in some coherent way and it is going to be an emphasis of government."

I would just appeal to the members of the Liberal Party, who I gather are likely to follow the parliamentary assistant's lead in this, to think twice about doing that and to understand that this is a very important matter for them to deal with, and to deal with strongly, in committee, to amend in any way they see fit after we have more public depositions on the matter and to bring in all the information that is available. But to sit down today and vote against this on principle will be a statement that they do not wish to be Liberal reformers, that they wish to be Conservatives in Liberal clothing only and that they do not believe in basic and total reform of the mental health programs in our province. I encourage them to support the member for Riverdale's Bill 50.

**Mr. Harris:** I would like to read several facts into the record.

Mental illness is the country's fourth most common reason for ending up in the hospital.

One in six people will be treated for mental illness during their lives. If members divide 95 by six, it might mean something to them.

One in eight will be put in hospital for that illness. If members divide 95 by eight, that might mean something to them.

Thirty per cent of the 20,000 to 40,000 homeless Canadians suffer from mental illness.

One in three Ontario fatalities is a suicide.

After listening to those facts, which I think have been accepted by all Ontarians—I have not heard them refuted—four per cent of the total ministry budget for 1987-88 is for the mental health branch, and of that, less than half is targeted for the community mental health branch. Those are the facts of what is occurring in Ontario today and those are the facts, I believe, and the context in which we ought to put the bill that is before us.

I want to agree and disagree with the member for Scarborough West (Mr. R. F. Johnston). I want to agree with the member strongly on his plea to the 94 members of the Liberal caucus that what we are talking about here is a principle. We are talking about second reading, and second reading is agreement in principle that there is a problem; agreement in principle that this bill, or some amended form of this bill, will go a long way towards solving the problem.

I feel sorry for the parliamentary assistant because he agrees with the principle and yet he has obviously been told by somebody, whether it is his minister or the Premier: "Look, it is a good principle, it is something that has to be looked at; but let us not allow this to pass and get into committee. Maybe our timetable will be disrupted. Let us not get a full and open look at it."

I do not think, quite sincerely, that the parliamentary assistant is altogether comfortable with that, but I understand how the system works and I am beginning to understand how the system works in the Liberal Party, and for that reason I am not entirely laying blame on the parliamentary assistant; but he is in a very difficult position.

None the less, the rest of the members are not in that position. The parliamentary assistant himself has said, "I agree with the principle," and that is all we are asking the members' support for today. If members agree in principle with the facts; if they agree in principle that there is a problem; if they agree in principle that we ought to examine this problem, we ought to get it out to committee, we ought to hear from those people in our community in the community mental health field; that we ought to get more information, we ought to be open about this, we ought to play a meaningful role as legislators—after having heard that, they are free to reject the bill then if they want, if that is what the information and the facts find and if that is what they tell them; or they can amend this bill in any form they see fit that still agrees with the principle that the parliamentary assistant agrees with, and that is the principle of this bill.

I could read all of the facts into the record and more—the member for Parry Sound has done some of that; other members have done some of that—but if I do anything in this debate I would impress upon members what second reading means, what they are being asked to do here and what, if they support this bill in principle, will be the net effect. It is all positive. It is all good. It is all receiving more information. There is no finality to any single clause in this bill; there is no finality to the bill. It is saying there is a problem, we would like to get more information.

If for some reason members feel that causes them some difficulty with any type of decision that was made in caucus, maybe they should all absent themselves. At least that way, in conscience they will say: "Well, I did not vote against it; it is going to go forward. The right thing will happen with this particular piece of legislation." That is an option that, if members cannot bring themselves to support this in



principle, they should consider. I think they should also consider their vote very heavily if they should decide to vote against this. Members should consider the message that vote is sending back to their constituents. They should consider the message that vote is sending back to all those who are concerned about mental health.

**1140**

I said I wanted to disagree as well with the member for Scarborough West. The member for Scarborough West noted two or three times in his remarks that the Conservative approach is to piecemeal along. Maybe in his experience that is how he has sensed, over some period of time, the Conservative approach.

I represent the riding of Nipissing. We have the North Bay Psychiatric Hospital located in my riding. I was one of those who fought hard for and encouraged the mental health needs study that was carried out under the former government. You do not, as a government, commit to a major study like that—and we all knew: the minister knew, the Premier knew, the cabinet knew when that was approved, or had a good inkling of, what some of the findings were going to be—without realizing that you are going to have to act and you are going to have to fund it. In my discussions with the ministers of the day—two of them—and in my discussions with my caucus of the day and with those who were involved, they were prepared to act and they took that step, at least for northeastern Ontario which concerned me.

That committee was chaired by Peter Birnie, a chartered accountant from North Bay, with very able representation from all over northeastern Ontario. Briefly, some of the things the report brought forward were: services are centred in large communities, there is a lack of francophone services, a lack of co-ordination of existing services, a lack of communication among existing services and a lack of professionals and training programs.

That should have been addressed. When you commission a study like that, when that report comes in—the final report came in after the Liberals had taken over as the government and nothing, absolutely nothing, has happened in that regard.

There has been a joint hospital proposal before this government that involves a Catholic hospital in North Bay, an acute care hospital, a civic hospital and the North Bay Psychiatric Hospital. As long as that is not proceeding the excuse is, “We do not know what is happening there, so we

do not know where we should be going in the community mental health field.”

Recommendations also came out that there should be substantial investment into capital facilities and into operating facilities throughout all of northeastern Ontario. That has been sat on for the past two years as well.

So I disagree with the member for Scarborough West that what we are seeing is a Conservative approach. I think it is a unique one that only this Liberal Party can take credit for. It is not the approach that I saw in my years when we were in government and I saw what was happening.

But where I do agree with him, and I really think the most important message I can give to the members is: think about the signal we are sending out today when we vote on this particular piece of legislation.

**Miss Nicholas:** It gives me great pleasure to stand in the House today and put my comments forward on Bill 50, An Act to provide for Community Mental Health Services. It was not too long ago that we would not speak about mental health, even at local parties or in our own homes, and it is quite exciting to see us speak about it here in the House.

That is because mental health can affect anyone at any time. It can affect all ages. It can affect people from different financial backgrounds, different social backgrounds, different educational backgrounds. It does not pinpoint any particular group of people. Everybody can have mental illness at some time in his life. I think it is time we got it out of the closet, that we did not whisper about our friend who has mental illness, or our parents or grandparents who have Alzheimer's. I am glad it is becoming more acceptable socially to discuss mental illness and to try to do something about it, because until we start talking about it we are not going to do anything about it.

I am quite pleased to say that before coming to this House I was able to assist in getting funding for the Canadian Psychiatric Awareness Committee, which tried to get out to the public and make it aware that psychiatric problems and illnesses are commonplace in our society and that we should do something about them. Mental health problems cost society a great deal, and it is time that we try to do something about them to treat them effectively and to try to reintegrate people who have had mental illnesses back into society.

I have a little bit of a problem with this bill, in that we have been discussing today some things



that it is lacking. It is lacking some discussion about involuntary admissions, because in my riding I have had some difficulty with people who have a mental illness, need treatment and are unwilling to submit to it. I think we should deal with that problem in this bill. I think we should deal with the confidentiality aspect of mental illness in this bill.

I think we should deal with guidelines and standards for various program models, such as housing program standards and vocational rehabilitation program standards, because I think it is important that, if we are going to have community-based services, they have standards and that they be treated effectively, efficiently and with the best health care possible outside of an institutional setting. It is important that we do that, that we have some control of our community-based services. That is why I am interested to see that Robert Graham, in his committee, is looking to develop a comprehensive community health model for Ontario and is looking to set up guidelines for our community-based services.

Having said that, I would like very much to indicate my support for this bill and hope that the different aspects that are lacking will be discussed in committee. In my support I would like say that there is a need for institutional settings. They can give certain treatment and they can provide certain services that may not be available at the community level. But we are lacking sufficient space in the institutional setting, and there are not programs for reintegrating people into society after they have been treated for mental health problems. That is where I think the community-based programs can provide the best services: that is, to reintegrate people back into society and to have special services for people with mental illness.

It is important that we reduce the frequency and duration of admissions to psychiatric facilities, provide treatment to the patient in the home and in the community setting and reduce the risk of mental disorders in high-risk groups. These programs often depend on volunteers, as many of our community-based services do, and we should encourage volunteers to continue to get involved in the process of community-based services, in addition to people who have been qualified to provide some of these treatments.

Rehabilitation programs which include vocational and social rehabilitation to prepare former psychiatric patients for employment placement are an important aspect of our community-based programs. I think it should be an emphasis to

reintegrate people back into society and to find them a way of being employed and of contributing to society for many years to come. We need more services on a community basis, and I think we have to look to our friends and to people we know who have had mental illness in the past.

I remember a person, a friend of mine who was quite mature, and I was quite surprised when she was stricken with a mental health problem. This was a lady who could make a worthwhile contribution to society. There were no support services there for her other than institutionalization. I felt that there was a need for us to give her more than just a room for many years to come and no possible chance of her coming out and contributing to society again.

The Liberal government has given a considerable amount of attention to this issue, and I hope it continues to grow. I was encouraged by the fact that there is a doubling of funding to the community mental health programs and to the alcohol and drug dependency programs. I would like our thrust in this area continued, and I think the bill that is being proposed today, with some amendments at the committee level, I hope, will be something that would really encourage each of us to direct our minds to mental illness and to the different services that can be provided in the community, outside of institutionalization, and can really assist in the program and the process in reintegrating mental health patients back into society.

I support this bill today, I am very happy that it is something we can discuss today in this House and I hope that we continue to discuss it openly and make it something that is on the lips of many people in Ontario.

**1150**

**Mr. J. M. Johnson:** I had not intended to speak on this bill but since there is some time, I would like to make a few comments.

In the *Toronto Star* of Monday night, there was an article paying tribute to Jacques Tremblay, who is the key figure behind a number of innovative projects such as a courier business operated by former psychiatric patients, a low-income housing project for singles and a health clinic for street people.

He received recognition as being an outstanding individual in helping with the mental health problems we have in this province and I think we should pay tribute to him and to other people who do work of that nature.

I think one of the problems that we have with the mental health factor is that people live in fear. They have an extremely emotional problem in



trying to resolve the fact that they do have a health problem and a health problem relating to the mind rather than to the body and they think it is something different, while the two should be equated in the same manner.

They have a fear of the way that they are being treated, they are not sure what is happening to them and they are under medication. It creates a problem. The biggest fear that they have is the fear of what happens when they are allowed to leave the institution and go out into the world. They need support, a tremendous amount of support.

The member for Riverdale has drafted Bill 50, which provides a lot of support services for these people. I can support this bill. In fact, I am very pleased to support it because it is the right direction we should be going. If amendments should be made, then have it sent to committee and we can work on it and come up with solutions that will best serve the needs of these individuals who have a tough time in life at the best of time.

Members ought to take the opportunity to visit some of these hospitals and homes where the people live and talk to them and realize the deep feeling they have about wanting to rejoin society and be a meaningful part of life. For some of them it is absolutely depressing, the feeling of hopelessness that they have. Surely it is incumbent upon all of us to provide whatever support services we can to bring them back into the mainstream of life and give them something they can look forward to, instead of living with that anxiety that they have.

Medication will help to some degree, but they need some support services and the member has set out some excellent examples of what we should be doing as members of this Legislature.

**Mr. Speaker:** I believe the member for Riverdale reserved six minutes and that is all the time we have left.

**Mr. Reville:** Mr. Speaker, I cannot tell you how pleased I am that all members of the Legislature who have participated in the debate today have indicated support, at least in principle, for Bill 50; there appears to be three-party support, at least in part, for the principles enunciated in the Community Mental Health Services Act. I am hopeful that those sentiments will be reflected by the Legislature as a whole.

I particularly want to thank the member for Scarborough Centre (Miss Nicholas) and reinforce her plea that we keep mental health and mental health issues on the agenda. In fact, that was the advice I gave in 1986 to the national conference of the Canadian Mental Health

Association in Ottawa: that one of the things that people interested in mental health had to do was to get on the agenda.

We had an opportunity in the 33rd Parliament to discuss mental health issues on a number of occasions, in the estimates of the Ministry of Health and in the standing committee on social development when we were considering Bill 190.

One of the things that was so clear to those of us who had the pleasure of serving on the social development committee was that everybody involved in mental health understood the need for comprehensive community mental health programming and it was the plea of people from the Canadian Mental Health Association and the community mental health programs federation that we would not need to talk about forced treatment if we had the programs in place that would reduce or prevent the crises that resulted in people being hospitalized.

My sense is that the Legislature has an opportunity to send this bill to committee for review and for amendment and for the definitions that the member for Kingston and The Islands (Mr. Keyes) would like to see in the legislation. I say to the Legislature, through you, Mr. Speaker, that I believe very strongly that community mental health legislation is the wave of the future, that people with mental health problems are going to spend the vast majority of their time not in hospital but in the community.

I can say to you, Mr. Speaker, that there is community mental health legislation in some jurisdictions in the world and it has made an incredible difference to the personal empowerment of the individual afflicted with a mental health problem and to the capacity of the community to care for and nurture those individuals among it who are afflicted with mental health problems.

I say to the member for Wellington (Mr. J. M. Johnson) that I too would love to use this opportunity to give special kudos to Jacques Tremblay, the Toronto Star's Man of the Year who was the originator of a vocational rehabilitation program in the riding of the member for Norfolk (Mr. Miller), who is a member of the government and a well-respected member in the area of Simcoe.

I have had the opportunity to visit Abel Enterprises on a couple of occasions and I can tell the members that program deals with 42 severely disabled individuals, most of whom are diagnosed as chronic schizophrenic. They operate a workshop in which they create furniture which

has been purchased by the city of Toronto for use in its singles housing projects, and they run a landscaping business. The number of person days spent in hospital by each of those individuals has been cut to about a tenth of what it had been.

This is a program that costs about \$100,000 a year and it is funded by the community mental health programs branch and it is an excellent program. In an difficult economy in Norfolk county, this group has found an economic niche and the community has learned how to have the capacity to care for some people who otherwise would have been consigned to spend the rest of their lives in an institution.

I see in the public gallery June Beeby, executive director of Ontario Friends of Schizophrenics. She leads a group of families and friends who deal daily with the consequences of the lack of community support and who do a very fine job at picking up where the government should be acting.

There are so many issues in mental health. We can reduce it to three fairly basic needs of people suffering mental health problems: a decent income, a decent housing situation and something meaningful to do. I believe Bill 50 would be a way to meet those three essential needs for all Ontario citizens who suffer from mental health problems.

#### AUTOMOBILE INSURANCE

**Mr. Speaker:** Mr. M. C. Ray has moved resolution 7.

All those in favour will say "aye."

All those opposed will say "nay."

In my opinion the ayes have it.

Motion agreed to.

#### COMMUNITY MENTAL HEALTH SERVICES ACT

**Mr. Speaker:** Mr. Reville has moved second reading of Bill 50.

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Motion agreed to.

**Mr. Reville:** Mr. Speaker, may I move that Bill 50 be sent to the standing committee on social development?

**Mr. Speaker:** I do not know if I can accept a motion. However, standing order 71 states that it shall go to committee of the whole House unless a majority of the House agrees that it go to another committee. Does the House agree?

Agreed to.

Bill ordered for the standing committee on social development.

The House recessed at 12:02 p.m.



## AFTERNOON SITTING

The House resumed at 1:30 p.m.

## MEMBERS' STATEMENTS

## PROPERTY TAXES

**Mr. Philip:** A very real problem is faced by a number of places of worship in Ontario. Subsection 3(3) of the Assessment Act provides an exemption from property taxes for places of worship. However, under clause 3(3)(b) of the Assessment Act, those who rent their places of worship are not exempted from property taxes unless they rent from another church or religious organization.

Many new groups moving into existing communities find themselves unable to purchase property as a result of high land and construction costs as well as restrictive zoning bylaws. An example of this is the Westview Community Church located in my riding, which has a long-term lease on an industrial property.

Churches such as Westview Community Church can apply to municipalities for a grant equivalent to their municipal taxes. However, a major portion of the property taxes consists of the education component, but boards of education do not have the legislative authority to rebate the taxes.

Thus, those who own property for their place of worship are exempted from paying property taxes while those who rent are denied such treatment. I understand there are about 30 congregations in Metropolitan Toronto alone facing this kind of discrimination.

Yesterday the Minister of Revenue (Mr. Grandmaître) gave me an empathetic hearing on the matter. I now urge him to introduce appropriate amendments to the Assessment Act when the House reconvenes. In the name of justice, I ask that all places of worship be treated equally.

## AUTOMOBILE INSURANCE

**Mr. Runciman:** During debate on Bill 2, I emphasized that this bill was the first step on a slippery slope to government-run auto insurance. The government denies it is headed towards a state-run program, and many Ontarians, people normally concerned about government intervention in the private sector, have accepted those assurances.

They do not as yet appreciate the very antibusiness, interventionist nature of this gov-

ernment and its key players, people such as the Attorney General (Mr. Scott), a former New Democratic Party fund-raiser, who this week suggested the possibility of a constitutional challenge to the free trade deal. One of his concerns, as pointed out yesterday in the *Toronto Star*, the government organ, is that the agreement will restrict the government's ability to intervene in the private sector and, among other things, force the government to compensate private companies before they can set up a public scheme in auto insurance.

That is one of this government's concerns. What does that tell us about its long-range plans? Last week no less a personage than the Deputy Premier (Mr. R. F. Nixon) said, "I do not find the thought of publicly operated automobile insurance anathema." That is right; the Deputy Premier does not mind the idea of state-run auto insurance.

The facts are there if one cares to look, and the Progressive Conservative Party of Ontario has sounded the alarm. This government, with Bill 2, has begun the process that will ultimately take us into the socialist quagmire of state-run auto insurance. All Ontarians, small business people, taxi drivers, ordinary consumers, all of us will pay a very heavy price indeed.

## ANNIE TAYLOR

**Mr. Neumann:** All members have heard of Alexander Graham Bell and Wayne Gretzky. Today, however, Brantford celebrates Annie Taylor Day.

Annie believes in and promotes the concept of high-quality, healthy living. Many years ago, she worked in what was the forerunner of the health food industry long before it became fashionable. Her healthy lifestyle includes refraining from smoking, moderation in consumption of alcohol and coffee, sensible eating habits, good exercise and a delightful sense of humour.

She and her husband for many years operated Taylor's peanut butter factory. Annie remembers selling peanut butter for 25 cents a pound.

Annie's only son, Glen Whitcomb Taylor, was killed in action as a Spitfire fighter pilot during the Second World War.

Annie Taylor was born on December 17, 1882, and this afternoon, along with her grandson, Cam Taylor, and all her friends at Versa-Care Centre of Brantford, she is celebrating her 105th birthday. As mayor, I attended her 100th



birthday and found her to be perceptive, alert and an avid follower of public affairs.

I know Annie is watching right now; so on behalf of the Premier (Mr. Peterson) and everyone here at Queen's Park, I say happy birthday, Annie. Thank you for promoting your strategy for healthy living.

#### TORONTO CITY COUNCIL

**Mr. Reville:** The Globe and Mail says that 13 members of Toronto city council accepted at least \$300,000 in campaign contributions over the past two years, with most of the money coming from the development community. The Globe seriously suggests that there is a link between the contributions and the council's approval of extra density for major office and condominium projects in the downtown core.

What went through the mind of the Minister of Municipal Affairs (Mr. Eakins) when he read the articles? Did he wonder what the councillors did or will do with the money? Did he worry that there might be conflicts of interest or influence-peddling? Was he concerned that there might be Income Tax Act and Criminal Code implications? Does he think development rights are for sale in Toronto?

The minister will not find the answers in his draft municipal election expenses legislation. He should launch an inquiry now.

#### GOVERNMENT ADVERTISING

**Mr. McLean:** My statement is directed to the Minister of Tourism and Recreation (Mr. O'Neil) and it concerns some, but not all, of the answers we are getting to questions put to various ministers of this government. A case in point is the question I put to the Minister of Tourism and Recreation on November 26. On that date, I asked the minister to provide the tendered prices for advertising contracts submitted by Camp Associates, Cossette Communication-Marketing, MacLaren Advertising and Vickers and Benson.

I want to make it clear that I did receive an answer to my inquiry on December 10, but that answer was somewhat less than satisfactory. The minister indicated to me that Vickers and Benson had been chosen through an open competition, co-ordinated with the Advertising Review Board. The minister went on to say that the selection process was based on capability and creative ability of presentations and was not a price bid. I am sure there was a price attached to each and every bid and I wanted, and still want,

the minister to provide me with the dollar figures of the price tags attached to the four ads.

First, I am concerned that the minister is not conscious of the costs involved when he is spending the taxpayers' money. Second, I am concerned about the quality of the answers we are receiving from some ministers of this government when we ask straightforward, logical and important questions that our constituents want and need the answers to.

#### TRADE WITH UNITED STATES

**Mrs. LeBourdais:** Apropos of the Christmas season and the tabling of the free trade agreement, I rise with these words and my apologies to the original author.

'Twas the eve before free trade and all through the land, ministers scurried agreement in hand.  
While Americans slept all snug in their beds, dreaming of trade deals they wrought from the feds.  
All through Ontario there arose such a clatter from farmers, manufacturers and others that matter.  
Then what to our wondering eyes did appear but Brian Mulroney grinning ear to ear.  
More rapid than eagles his ministers came as he whistled and shouted and called them by name:  
Now Reisman, now Burney, now Wilson, now Carney,  
our Prime Minister sure has a way with the blarney!  
As dry leaves that before the wild hurricane fly, when they met with an obstacle the sparks did fly.  
So up to the House on the hill they all flew before Christmas recess, that whole darn crew.  
And then in a twinkling we heard on the roof the prancing and dancing of the first minister's hoof.  
A wink of his eye and a twist of his head, spouting that Canadians had nothing to dread.  
He spoke not a word, but went straight to his work  
praying the polls would go up with a jerk.  
And laying his fingers aside of his nose as though to snub all those who oppose forgetting our dreams as up the chimney they rose.  
But we heard him explain as he faded in sight "Please won't you trust me and my majority's might?"



**Mr. Speaker:** Do we have another poet?  
1340

#### POLLUTION CONTROL

**Mrs. Grier:** My statement is from chapter 1, volume 1, of the sayings of the Honourable Jim Bradley.

April 28, 1986: "Ontario's year-old air quality regulation is being totally revamped. My ministry will soon be issuing a green paper."

October 21, 1986: "Tough new rules by the fall of next year."

December 10, 1986: "Amendments soon."

February 26, 1987: "The green paper will be available by April."

November 30, 1987: "Today it is released. The new regulation will be phased in to cover the most hazardous 10,000 polluters within five years, the remaining within 10 years."

Don't hold your breath, Mr. Speaker.

**Mr. Speaker:** That completes the allotted time for poems and statements.

#### STATEMENTS BY THE MINISTRY

##### FEDERAL TAX REFORM PROPOSALS

**Hon. R. F. Nixon:** The federal Minister of Finance tabled a notice of ways and means motion in the House of Commons yesterday. The notice represents the federal government's plan for reforming the federal corporate and personal income tax systems and contains a number of changes to the June white-paper proposals.

Members will recall that, as Treasurer, I made submissions to the Minister of Finance, along with the other treasurers, at the meetings that he has called, I believe, on two occasions since the white paper was issued. Some of the changes Mr. Wilson announced yesterday were the subject of interventions by this province and the other treasurers or other individuals.

The dependent child credit for families with three or more children has been increased. Implementation of the changes to the tax treatment of farmers has been delayed pending further review and consultation with the farming community.

Tax support for research and development in Canada has been modified. The June federal proposals would have limited the deduction of tax credits to half the federal tax payable. This limit is increased to 75 per cent in the final package. Those of you who attended the first ministers' meeting at the Harbour Castle three weeks ago will recall that the Premier made a specific point of bringing that to the attention of the other premiers and the Prime Minister.

Home builders will be able immediately to deduct some of the financing costs associated with their land holdings. The write-off rates for film investment have been increased. Finally, the federal reform package includes a minimum tax on the capital of large banks.

I continue to be concerned with the proposed modifications to the tax depreciation rates for new investment in the manufacturing sector. As I indicated in my November report to the Legislature on the federal tax reform proposals, taxes are an important ingredient in the ability of Canadian businesses to compete in the international marketplace. This is particularly true for the manufacturing sector. It is important that tax reform not endanger Canada's overall competitive position.

In addition, I am concerned that a higher federal tax on liquor and tobacco will reduce the province's flexibility in these tax fields. Members will recall that over the years this direct sales tax on liquor and tobacco has been largely a provincial field, but since Mr. Wilson has become Minister of Finance, there have been successive large increases of the federal tax in that regard.

Interjection.

**Hon. R. F. Nixon:** We share the tax field, but it is getting very crowded in the tent, if I might put it that way, once the camel got its snout in there.

The June white-paper proposals were estimated to reduce the province's income tax revenues by \$90 million in the current fiscal year and \$250 million in 1988-89, assuming Ontario parallels all of the federal proposals. The changes to the proposals announced yesterday will have only a modest impact on Ontario's revenues over the next two years. I notice they did not lead the Minister of Finance to change his estimated deficit figures at all.

On the subject of a joint national sales tax, members may be aware that at the finance ministers' conference last week, first, Mr. Wilson announced that food would be excluded from such a tax, and second, he acknowledged that the tax should not impose an additional burden on schools, universities and colleges, hospitals or local governments. I add in parentheses, there was no specific exclusion for the provincial governments themselves. Therefore, I remain concerned about the effect of the proposals on other areas of Ontario's expenditures.

The 1988 Ontario budget will outline the province's position on federal income tax reform. In establishing our position, I look forward



to hearing the views of members and the standing committee on finance and economic affairs.

### ASSISTANCE FOR THE HOMELESS

**Hon. Ms. Hošek:** With my colleague the Minister of Community and Social Services (Mr. Sweeney), I would like to take this opportunity to inform the House of a \$31.5-million package of co-ordinated initiatives designed to move homeless people into permanent accommodation. Central to this initiative, we will create new emergency housing to meet specific urgent needs; fund community initiatives to help homeless people find permanent housing, and increase the supply of permanent housing.

Across Ontario, community groups will be provided with resources to help more than 7,000 homeless people find accommodation. The Minister of Community and Social Services will have more to say shortly on the initiatives to address short-term shelter needs.

While we will be strengthening and improving the adequacy of our emergency base, the government is committed to moving homeless people into permanent housing solutions. In keeping with this principle, I would like to point out that \$12.5 million allocated for short-term emergency shelter will be matched with equal funds for long-term permanent housing.

What is vital is that groups with good, creative ideas will be provided with the resources to develop and carry out effective programs for their communities. We will be providing funding for at least 10 or 15 such projects in different communities across the province. For example, \$3.6 million is being allocated to Ecuhome, a nonprofit corporation, to establish 16 houses with permanent room-and-board-style accommodation for 128 people in Toronto. As well, we have been discussing other proposals with groups in Ottawa and northern Ontario. A further \$8.9 million will be provided for groups in all regions of Ontario.

This initiative demonstrates that a strong partnership between government and community groups is the real solution to solving homelessness.

This is but a first step in combating homelessness. This government will continue to develop its long-term strategy to deal with the elements of the affordable housing challenge which faces us.

**Hon. Mr. Sweeney:** Through the integrated initiatives the Minister of Housing (Ms. Hošek) and I are announcing today, the Ontario government will help to move homeless people into permanent accommodation. To do that, we are

helping the Homes First Society of Toronto to renovate an existing building. The residents of this hostel will then take part in planning and developing the transition of the building into permanent housing.

Other initiatives will help to provide a community focus on how to address the permanent housing needs of homeless people.

We will support locally based groups to form access to permanent housing committees. This will allow communities across the province to develop projects and implement solutions to their housing problems.

The Minister of Health (Mrs. Caplan) is also launching a pilot program aimed at helping homeless people in greatest need in Metro Toronto. Eight outreach workers will help people whose problems make it difficult for them to use hostels for permanent housing.

While we try to move homeless people into permanent housing, the provincial government will also ensure communities have the resources to give them the emergency accommodation they need now.

The existing Metro Toronto Family Hostel, a former First World War veterans' residence, is being replaced by a new hostel. Another project tackles the growing problem of street youth in downtown Toronto. With our assistance, Covenant House will build a new 100-bed hostel to replace the one now in use. In order to prevent a continued influx of young people into the downtown core, we will assist community groups to build three new youth hostels in East York, Scarborough and the region of Peel. Also, Mercury Youth Services will provide outreach services and practical help to young people in Toronto who are now in adult hostels.

These are initial steps only. The government of Ontario is currently working on a major long-term strategy. Today we are taking action on items that cannot wait.

### ELECTRICITY DEMAND AND SUPPLY

**Hon. Mr. Kerrio:** Today I am making—

**Mr. Wildman:** On a point of order, Mr. Speaker: I do not have the statement.

**An hon. member:** He is doing it for the Minister of Energy (Mr. Wong).

**Mr. Wildman:** OK.

1350

**Hon. Mr. Kerrio:** Today I am making a statement for the Minister of Energy. The minister is down with a bout of pneumonia and I



am sure all honourable members would wish him a speedy recovery.

On his behalf, Mr. Speaker, I wish to announce that Ontario Hydro's draft demand-supply planning strategy was received yesterday by the government. I ask your leave to table this report today.

Please note that the draft strategy will be provided to each member of the Legislature today, and I want to assure you, Mr. Speaker, that interested members of the public may obtain the report, on request, from Ontario Hydro's communications department, beginning this afternoon. A volume of supplementary documents will be made available to members and to the public by Ontario Hydro in the near future.

The review of this draft strategy will be an important step in determining how best to meet Ontario's future electricity demands. In establishing the government's position to accept, reject or modify this strategy, we will be seeking the views of interested Ontarians. The review will begin in the new year and will include wide public participation and the involvement of the select committee on energy.

Further details on the review process will be announced early in 1988.

#### FREEDOM OF INFORMATION

**Hon. Mr. Elston:** It is a pleasure for me to address the members of the Legislature concerning the province's legislation on freedom of information and protection of privacy, which is to be implemented on January 1, 1988. It is my firm belief that this has to be regarded as one of the most important pieces of legislation in this decade.

Here in Ontario, we are proud to say that open government is not just a dream. It can also no longer be regarded as just an ideal. With the introduction of freedom of information, there is now a promise and a commitment by the government of Ontario to allow public access to information held by the government.

By formally announcing the implementation of this act, ultimately, we are opening a new window on the government. Also of major importance, we are assuring the citizens of Ontario that their privacy is protected through privacy protection measures established in the legislation.

As the minister now responsible for this act, it will be my duty to make sure that the citizens of this province be given the opportunity and the legal right to access their own personal information held by the government.

I am tabling today copies of two directories—on personal information and general records—that will be available at the provincial bookstores as well as at public libraries and ministry and agency offices across Ontario. I trust that the information contained in both directories will contribute to a better understanding of the Freedom of Information and Protection of Privacy Act.

In addition, I am pleased to announce that the Office of the Information and Privacy Commissioner, headed by Sidney Linden, is now able to assist members of the general public.

#### WOMEN'S HEALTH SERVICES

**Hon. Mrs. Caplan:** Members will know that our government has made a special commitment to the health needs of the women of this province and that we have been acting on that commitment with dispatch.

Today I am pleased to announce the establishment of a women's health centre—the second in this province—at St. Joseph's Health Centre in Toronto.

St. Joseph's has a long history of service to Toronto's ethnically and culturally diverse west end. The hospital has identified a large number of sole-support mothers, working women and older women who do not utilize health care services frequently and who would benefit from the health promotion emphasis at the new centre.

My ministry will provide a one-time capital grant of \$200,000 and annual operating funds of \$313,624 to establish the centre, which should be fully operational next September.

The hospital expects about 15,000 women annually will benefit from educational programs in nutrition, fitness, occupational health, dealing with violence and balancing work and family responsibilities. The centre will also offer a full range of prenatal and postnatal care and counselling for women experiencing premenstrual syndrome, menopause and substance abuse.

The Sisters of St. Joseph have compiled an excellent record in maternal and child care services over the years. Their desire to establish a comprehensive women's health centre reflects their special commitment to women.

I want to congratulate St. Joseph's on its successful proposal and indicate once again that my ministry continues to welcome proposals from hospitals and community-based agencies and organizations for the provision of comprehensive women's health services.

I will continue approving and announcing additional centres in the near future until a



completely accessible and timely network of women's health services is in place in this province.

### FARM PRACTICES PROTECTION

**Hon. Mr. Riddell:** I am pleased to stand in this House yet again to bring more good news to the farmers of Ontario. Later this afternoon, I will be tabling for first reading of An Act respecting the Protection of Farm Practices.

The proposed Farm Practices Protection Act confirms the view that agriculture is the primary land use within rural Ontario. Ontario farmers need the freedom and flexibility to carry on normal farm practices to produce food, activities which sometimes cause noise, odour and dust.

Ontario farmers have been concerned for some years that normal farming practices may increasingly result in complaints and court actions under the common law of nuisance. Under the act, a Farm Practices Protection Board will be established. Individuals who complain about odours, noise and dust from farm practices may ask the board to investigate. The board will hold hearings on odour, noise or dust complaints referred to it. The board will have the power to dismiss complaints about a normal farming practice or to issue an order to rectify the problem if it is not normal.

In formulating this proposed legislation, we have consulted with the public through public hearings held by the Advisory Committee on the Right to Farm. The proposed Farm Practices Protection Act has been developed in consultation with Ministry of the Environment to ensure that it is complementary to existing laws such as the Environmental Protection Act and the Ontario Water Resources Act. Right to farm under this legislation does not mean the right to pollute. While farmers will be protected for normal practices, they will still be subject to land use control and environmental and health protection laws.

The act will deal with current and future nuisance incidents arising from existing conditions. The long-term solution is a strong agricultural planning policy to avoid incompatible and competing uses in agricultural areas. This is yet another Liberal promise fulfilled. I urge the members of the House to give their support in the speedy passage of this legislation to permit Ontario farmers the right to continue their business of farming using normal farming practices.

### TRUCKING INDUSTRY

**Hon. Mr. Fulton:** Later today I will be introducing legislation to reform the trucking

regulations in Ontario. As members will be aware, the issue of regulatory reform has been with us a long time. I will be introducing amendments to the Highway Traffic Act, amendments to the Ontario Highway Transport Board Act and a new bill, the Truck Transportation Act.

The three bills I will be introducing remain substantially the same as those which were introduced in the last parliament. There are some changes as a result of consultation lasting to the latest possible moment. A key component of reform is highway safety. Amendments to the Highway Traffic Act will allow us to more closely monitor the performance of commercial vehicle operators. The bill gives us the tools to apply more stringent sanctions against any operator who operates unsafely.

These bills will include all aspects of the National Safety Code, a code that distinguishes our reforms from those which have taken place in other countries. Safety on our highways will not be compromised. The main provision of the legislation, licensing on the basis of proving fitness to operate, remains virtually intact.

As most other Canadian jurisdictions are already well into similar reforms and as the federal government will be implementing reforms to extraprovincial trucking on January 1, 1988, I urge members to give this legislation their closest scrutiny in order that Ontario will be compatible.

1400

### RESPONSES

#### FEDERAL TAX REFORM PROPOSALS

**Mr. Laughren:** I want to respond to the statement of the Treasurer (Mr. R. F. Nixon) on the federal tax reform. I think we all understand clearly that the federal government intends to reform some of its taxes before the federal election and add the sales taxes after the federal election. Those same people who will benefit slightly from the tax reform are the ones whom the Tories in Ottawa have taxed to the tune of \$1,000 more per family since the last federal election.

This government is no better. Even after these tax reform proposals go through, individuals at the poverty level in Ontario will still be paying \$400 a year in provincial income tax. The only difference between the Treasurer and Michael Wilson is that Michael Wilson admits he is a Tory.

#### ASSISTANCE FOR THE HOMELESS

**Mr. Breagh:** I want to respond to the statements that were made today by the Minister



of Housing (Ms. Hošek) and the Minister of Community and Social Services (Mr. Sweeney). It is unfortunate that this government has taken successful operating programs that offer reasonable accommodation and shelter for the homeless on a temporary and on a permanent basis and decimated those programs. It has replaced those programs with yet another new program, the total value of which is about the cost of a good hockey rink.

The program will put eight—believe it, eight—social workers on the streets of Metropolitan Toronto; eight people to help the homeless in Toronto. It is a pitiful response to a problem that is widespread. The problem is more than here in the city of Toronto. It is across Ontario, and the government knows it. The government knows it because it has briefs from communities around Ontario that identified their need, that put forward their proposals last year. They have had more than a year to analyse those proposals. They knew what to do and they chose not to do it.

In its place, the government put together a new program. It is starting again. The real tragedy here is not that there will be only 25 new beds in hostels in downtown Toronto or eight social workers on the streets in Toronto. The real tragedy is that the government knew the size and the scope of the problem. More than that, they knew the solution and they chose to turn their back on that and give us one more little piece of political show business. That is a tragedy.

#### ELECTRICITY DEMAND AND SUPPLY

**Mr. Charlton:** I wish to respond to the statement by the Minister of Natural Resources (Mr. Kerrio), which he made on behalf of the Minister of Energy (Mr. Wong), on the tabling of Ontario Hydro's demand-supply option study.

I suggest the minister should relay to his colleague that the government should be ashamed, first, to have allowed Hydro a one-year extension on its original completion date for this study and, second, to have pushed the tabling of this study to the very end of this legislative session.

Just a quick glance through the study makes it very clear that the documentation Hydro has provided us here, which it took Hydro supposedly three years to pull together, is substantially no different from the information Hydro provided to the select committee on energy a year and a half ago. Not only is it substantially the same information but also it is information the select committee clearly rejected as the future direction for electric power development in Ontario.

Now this government is telling us it is going to refer this matter back to the select committee instead of allowing the select committee recommendation to stand and have this report subjected to the very expert and thorough review that could be provided by the Ontario Energy Board.

#### TRUCKING INDUSTRY

**Mr. Philip:** It will not be a good Christmas for those involved in the trucking industry in Ontario. The Minister of Transportation (Mr. Fulton) has sold out those involved in the trucking industry. He knows that the deregulation bills he introduced before, which were opposed by the Ontario Trucking Association and by everyone driving a truck across Ontario highways, coupled with free trade, would mean the sellout of thousands of jobs in the trucking industry in this province.

That this minister would reintroduce this kind of legislation when he has had the feedback from the trucking industry, from the economists in this business as to how many jobs it would cost Ontario residents, is just absolutely shocking and the minister should be ashamed of himself.

#### ASSISTANCE FOR THE HOMELESS

**Mrs. Marland:** If it were not the season we are in right at the moment, we might perhaps better understand what is going on here today. It is really interesting to have eight statements. I think it is the Liberal government's last-ditch effort to kill the idea that they are not the Grinch that stole Christmas.

I must congratulate the Minister of Housing (Ms. Hošek) because she has made a very honest statement in her last paragraph where she says, "This government will continue to develop its long-term strategy to deal with the elements of affordable housing which challenge and faces us." That is all they are doing; they are developing long-term strategy. They are not doing anything and I think it is time that we stopped. We do not need any more development of long-term strategy. It is like an overdue pregnancy. I think we are way past full term. It is time that we had something more than being full of promises.

I would also like to say that the Minister of Community and Social Services (Mr. Sweeney) stood in this House about a year ago, after we had the tragic death of someone who was homeless and was living in a truck, and he told us he could assure us that there were more than enough spaces for those people in the Metropolitan Toronto area. When he says in his statement



today that they will support locally based groups to form access to permanent housing committees, is that not wonderful? They are going to have an access to a committee. They are not going to have money to find the solutions that those committees already know and have identified.

If we are talking about implementing solutions for housing problems, there is only one thing that is needed by everyone and that is money.

#### WOMEN'S HEALTH SERVICES

**Mr. Eves:** I would like to respond briefly to the statement from the Minister of Health (Mrs. Caplan). Again, I am pleased that the minister took my advice and decided to announce publicly where she is going to locate these women's health centres across the province. She has now identified two. I believe a few short weeks ago she agreed with Dr. Marion Powell that about six out of 12 centres will be operational in Ontario by December 31, and we are just waiting to hear about the other four before the House adjourns.

#### FARM PRACTICES PROTECTION

**Mr. Villeneuve:** In reply to the announcement by the Minister of Agriculture and Food (Mr. Riddell) today, yes, farmers do need protection. They need protection not only as farmers but their incomes need to be protected. This minister is presiding over one of the biggest fiascos we have seen: another big decrease in net farm income again this year.

The federal government provided \$1.1 billion to assist agriculture earlier this week. The federal government is recognizing that agriculture does need some financial support. It is always interesting to see that again the Ministry of Agriculture and Food has abdicated to the Ministry of the Environment, and we will have Ministry of the Environment officials telling people in agriculture what they should be doing. The tail wags the dog here.

It is a situation that is not palatable to agriculture, and in this area, particularly where farm severances are to be accounted for, the municipalities would very much enjoy having a bit of local autonomy, not having a hot potato thrown in their hands, as the minister did earlier last week.

#### TRUCKING INDUSTRY

**Mr. Harris:** I want to comment very briefly on the statement by the Minister of Transportation (Mr. Fulton) on the process. At the end of his statement he says that, as most other Canadian

jurisdictions are already well into similar reforms, and as the federal government will implement reforms to extraprovincial trucking on January 1, 1988, he urges members to give this legislation their closest scrutiny.

On December 16, 17 or 18—I am losing track of what day it is—it is so important, everybody else is under way, and the minister brings this in on what was going to be the last day of the House. That shows the minister's commitment to being in tune with what is going on.

I might also say I am processing eight statements. I do not know what the government has left for next week or the week after. Obviously, it has blown its bolt today, but we will see what happens.

1410

#### FEDERAL TAX REFORM PROPOSALS

**Mr. Harris:** I want to comment also on the statement by the Treasurer (Mr. R. F. Nixon). He talks on the subject of a joint national sales tax and says he has other concerns. Like this government, which sits back and criticizes everybody else, he does not state what his concerns are. He is going to wait until it is all out there and then he is going to sit back and criticize. There are a lot of things in the Treasurer's statement that are typical of this government. It is to sit back and criticize, not be part of the process.

I want to comment on the comment made by the member for Nickel Belt (Mr. Laughren). In my opinion, the only difference between the Treasurer and Broadbent is that Ed admits he is a socialist.

**Mr. Speaker:** That completes the allotted time for ministerial statements and responses; oral questions, the Leader of the Opposition.

[Applause]

**An hon. member:** They're not all clapping, Bob.

**Mr. B. Rae:** Most of them are, enough for me. Who is counting, really?

#### ORAL QUESTIONS

##### FEDERAL TAX REFORM PROPOSALS

**Mr. B. Rae:** I have a question for the Treasurer, speaking about who is counting. The only thing he is missing is his watch-chain today.

**Mr. Laughren:** His fob.

**Hon. R. F. Nixon:** I don't have a corporation.

**Mr. B. Rae:** He is getting awfully close.



I want to ask the Treasurer a question about the impact of the tax reforms on Ontario. The Treasurer will know that as a result of Mr. Nixon's announcement—what a slip—Mr. Wilson's announcement, a family of four living at the poverty line will still be paying about \$340 in Ontario income tax and about \$680 in federal income tax. A single person will be paying about \$425 in Ontario tax and about \$850 in federal income tax.

I must say I was surprised that the Treasurer's only objection to Mr. Wilson's announcement today was that it was too hard on business. I wonder if he might not also express the view that it is too hard on working families and on working poor people who still pay too much tax in Ontario. I wonder if he might not commit himself today to seeing that those people who are at the poverty line will not have to pay income tax in Ontario. It will cost him about \$100 million. What does he say?

**Hon. R. F. Nixon:** I think the Leader of the Opposition is aware that in the budgets I have read to the House in the last couple of years, we have increased the size of the Ontario tax reduction program each year. We would have to increase it substantially to exempt everybody below the poverty level, which for a family of four is in excess of \$21,000. I wish we could do that. The allocation of that extra \$100 million is something we should be considering, along with many other alternatives.

I want to say, however, that the government of Canada, and Mike Wilson particularly in his early budgets on his accession to that job, reduced the federal tax reduction program and put many thousands of low-income people back on the tax rolls. I am glad to see that in this reform he is reversing that trend and once again exempting quite a lot more people from paying personal income tax at the low end of the income scale.

**Mr. B. Rae:** The Treasurer will know that Ontario is going to receive, as he himself has indicated, quite a substantial windfall over five years, an increase in provincial revenues of several hundred million dollars as a result of the tax reform proposals. Those are the figures he himself and Treasury have presented.

In particular, I wonder if the Treasurer could comment on the fact that Ontario will gain at least \$1 billion over the next five years because of the preferential treatment for capital gains. The Treasurer is on record on many, many occasions—I would gladly cite him cases but I am sure he does not need them—when he said he opposes this

preferential treatment and stated how strongly he feels about this question.

I wonder if the Treasurer could tell us today just what he is prepared to do to ensure that the unfairness, which the feds are introducing again into the tax system by perpetuating this preferential treatment for capital gains, will not be paralleled in Ontario and that, rather, we will see far more progressivity, far more fairness, for Ontario working taxpayers, instead of this preferential treatment for people who have a lot of investment income.

**Hon. R. F. Nixon:** The original concept from Mr. Wilson was that every individual in the country would have a capital gains exemption of \$500,000 in a lifetime. I am very proud of the fact that this government strongly opposed that view and felt that it was dislocating as far as any kind of fairness in the distribution of wealth was concerned. Although for many months he indicated his unwillingness to change that view, he has changed it. With the exception of small business and farmers, where the farm property is passed on, he has reduced that exemption to \$100,000, and I am very glad he has done that.

The House must be aware that rather than getting a windfall this year, the first full year coming up in these amendments, if we do not change our tax system at all we will be about \$90 million down in our revenue. Next year it will be about even.

Also, the member will remember from previous statements I have made that on the personal income tax side, because of the tax collection agreement with the government of Canada, if we do not change our rates at all, the people of Ontario will pay about \$420 million less to the Provincial Treasurer through personal income tax than they would have if there had been no reform. This is a substantial reduction in personal income taxes payable, and that is certainly something I have to give careful consideration to.

**Mr. B. Rae:** I am sure the Treasurer will do that, but I wonder if he will now recognize that Mr. Wilson has rejected the idea of a minimum corporate tax, something which is in place even in the United States. He will also be aware, I am sure, because of the people who are advising him in the Treasury, that as a result of this, there are going to be somewhere in the area of 20,000 corporations in Ontario which are profitable, making money and working out a return for both their employees and their owners and shareholders, and those corporations will not pay any tax whatsoever.



I wonder whether the Treasurer does not think that in itself is a gross unfairness in the tax system, and that if he is serious about wanting to make sure that Ontario is not only doing the things which are good for business but also doing the things which are good and fair for working families, does he not think it right that the very least he could do is make sure that corporations in this province that are making money are paying tax as a basic requirement of doing business in the province. What is wrong with that?

**Mr. Speaker:** Order. The question has been asked.

**Hon. R. F. Nixon:** The honourable member oversimplifies a bit. I think he is aware that under our corporation income tax law, the first three years of any new corporation are tax free, however profitable they are. This policy is designed to stimulate the corporate business sector to make investments of capital and create jobs. One need only look at the excellent achievements over the last three years to realize how effective that initiative has been.

**Mr. Brandt:** Whose idea was that? When did that come on? Who introduced that?

**Hon. R. F. Nixon:** The member opposite wanted a longer exemption than that. As a matter of fact, we did cut down on it a bit.

The second area where the honourable member ought to be aware of an initiative that surely even he supports, at least some of his friends do, is the exemption of new mining corporations from the payment of mining tax, which is ancillary in this connection. The whole design is not to leave money in the hands of bloated capitalists, in the view of the honourable member, but to leave money for the kinds of development and job creation which surely even he would support if he gave it careful thought.

**Mr. B. Rae:** I am sure my colleague the member for Nickel Belt (Mr. Laughren) will want to apologize; he meant to compare the Treasurer to Frank Miller and he slipped and compared him to Michael Wilson.

#### ASSISTANCE FOR THE HOMELESS

**Mr. B. Rae:** I have a question now to the Minister of Housing. The minister announced today a "package of co-ordinated initiatives designed to move homeless people into permanent accommodation." Yet she will have to admit that a very substantial sum of money has been spent not in terms of permanent housing programs but in just simply producing more hostel spaces and building more hostels.

Does the minister not feel that this really is a terrible announcement to be making at this time of year and that really what she is offering is charity and not justice? Can she explain how creating more hostel spaces has anything to do at all with creating permanent accommodation in Ontario?

1420

**Hon. Ms. Hošek:** I am glad to have the opportunity to tell the House that this program we announced today comes out of significant consultation, in particular with groups of people who have actively been working with homeless people for a number of years. Our proposals come from our talks with them.

They tell us, and we agree with them, that the most important thing to do is to provide permanent housing for people who do not have places to live. Most of the resources in this project are going to those groups of people who work actively right now with people who live either on the street or in hostels to help transfer those people into permanent housing.

**Mr. B. Rae:** But there is not any housing there.

**Hon. Ms. Hošek:** One part of our program is targeted in particular to buying existing buildings or renovating buildings that currently exist and having the various community groups who are prepared to do this right now make permanent housing available to people who are currently homeless.

**Mr. B. Rae:** All I can say, with great respect to the minister, is that what she is saying is simply not the case. What she is saying is denying the reality that \$12.5 million is going from this government to build more hostel accommodation, which does not solve the problem of making sure that people have a place to live. All it does is delay and continue to treat people in the inhumane way that has been condemned very specifically by the leaders of those groups to which the minister refers.

I wonder if the minister can comment on the fact that her own estimates statements show that the 1986-87 target for total new rental units funded by the province was 15,614 units; that the actual was 14,487, 1,000 units short; and that her 1987-88 target is 10,818 units, which means she is admitting by her own numbers that she is only interested in building 5,000 fewer units next year than this year and that that is the implication of her policy. Sticking people on the floors of churches or making sure they do not—



**Mr. Speaker:** Order. The question has been asked.

**Hon. Ms. Hošek:** The funds for the provision of hostels in our announcement are going this way: one is to improve the situation in the family hostel in the city of Toronto right now, which is absolutely unfit for families to live in. The current hostel will be transferred into permanent accommodation.

The others are for youth hostels, both in the city of Toronto and in the various outlying regions of Toronto, in response to the communities in those outlying regions who told us that because there was no housing for their young people there they would come into downtown Toronto and get into even greater difficulty than they would otherwise be in.

The members opposite know very well that no matter what we do with housing issues, there will always be some young people who, because their homes are truly difficult places to live, will leave those homes. The provision of decent hostels for young people seems to me to be a very important part of this project.

**Mr. Breough:** The minister knows that we have talked to the same people with whom she has discussed this problem. The minister will know that right now there are in excess of 20,000 people who are homeless in Ontario. The minister knows there are proposals in from all over Ontario to meet those needs.

How can she defend such a pitiful response today when she is shutting down effective and workable programs that were effective in August of this year but in December of this year seem to be no longer wanted? Why is her response such a pitiful response? I think that is our problem. Why is there not something of substance being presented here today? Why did she not at least crank up the existing working programs, which were actually doing some good? She seems to have shut them down to provide us with this rather political song and dance.

**Hon. Ms. Hošek:** It is in response to the groups all over the province that this program was designed. This program, with its community base, is going to be providing support for existing programs that are currently providing housing for people who are homeless and working with the communities who are committed to helping them to give them the resources they asked us for so that they will be able to provide housing for people who are homeless.

#### TRADE WITH UNITED STATES

**Mr. Brandt:** My question is for the Minister of Industry, Trade and Technology, in the

absence of the Premier (Mr. Peterson), who I understand is off participating in a photo opportunity in Ottawa.

Interjections.

**Mr. Speaker:** Order. New question; the member for Sarnia.

**Mr. Brandt:** Mr. Speaker, I already indicated the minister would be the Minister of Industry, Trade and Technology—

**Mr. Speaker:** You can direct the question to that minister.

**Mr. Brandt:** My question to the minister is in light of the fact that George Peapples, the president of General Motors of Canada, joined recently in a press conference with Ford Motor Co. as well as Chrysler Canada, Dofasco and Stelco, in indicating not only that they favour a free trade deal with the United States of America but as well, contrary to what the minister has been saying and what his Premier has been saying, that the auto pact is in fact strengthened under the proposed deal between Canada and the United States.

In light of that statement on behalf of all those major Ontario industries, will the minister commit to this House today that he is prepared to await the decision of the standing committee on finance and economic affairs relative to the free trade review before he attempts to rush through an ill-thought-out resolution before this House condemning the pact?

**Hon. Mr. Kwinter:** The leader of the third party makes reference to the fact that George Peapples of GM and the other Big Three American manufacturers and the steel companies are supportive of the free trade agreement because they think the auto pact is going to be enhanced. I will say to him that for them it has been, because what it has effectively done is it has barred third-country manufacturers and assemblers from really participating.

A perfect indication of that is we have a situation where, when the elements of the agreement came out, it said one thing; once we saw the final text, it made provision for the inclusion of the GM-Suzuki CAMI plant in Ingersoll. The mere fact they had to grandfather that facility is a clear signal that they will never allow another facility like that in Ontario. How can the member say that is a plus for Ontario?

**Mr. Brandt:** Yesterday, the minister released a report in this House with respect to small business, a report which indicated that in the years 1976 to 1984, some 87 per cent of all jobs created in this province were created by small



business. I agree with the statement made in that report, but I would ask the minister—and this is not my key question—why the report did not cover other aspects of small business, particularly as it relates to the fact that the two major small business organizations in this province have indicated they support a free trade agreement. If the minister is not prepared to take the advice of big business, is he prepared to take the advice of small business—

**Mr. Speaker:** Minister.

**Hon. Mr. Kwinter:** I do not want to get into a controversy on those two reports, but I want to disabuse the leader of the third party as to what their reports said, because I have met with the heads of both of those organizations. What they did was they sent out a questionnaire to their members and said, “Are you or are you not in favour of a free trade deal?” The majority or a significant number of their members responded and said, “We are in favour of a free trade deal.”

Having said that, I can tell the member that in my examinations as the chairman of our cabinet subcommittee, most people responded that they did not understand the deal but they are in favour of the economic concept of free trade. Those two business organizations are reflecting the views of their members in response to a questionnaire, saying, “Yes, we are in favour of free trade.”

1430

**Mr. Brandt:** I have simply to remind the minister that with 47 per cent of the vote, his party ended up with 95 seats. Is that not an indication of a vote that was taken by the people, the same kind of vote the small business organizations took with respect to the attitudes and the feelings of their membership?

Now we have big business saying it wants the pact. We have small business saying it wants to go ahead with the trade deal. We have the report of the Treasurer (Mr. R. F. Nixon), the government's Treasurer's own report, which said that wages would go up and prices would go down.

We have seven out of 10 premiers in this country who support the pact, two of whom happen to be Liberal premiers, philosophical bedmates of the minister. When will he be prepared to stand up with the rest of this country, move ahead into the future, begin the process of nation building and get behind this pact?

**Hon. Mr. Kwinter:** The leader of the third party makes an interesting statement about who is supporting it, but he does not say who is not supporting it.

**Mr. Brandt:** No, you tell us that.

**Hon. Mr. Kwinter:** I will be happy to tell him some of the key groups that are not supporting it.

**Mr. Reville:** Us.

Interjections.

**Mr. Speaker:** Order.

**Hon. Mr. Kwinter:** We have organized labour virtually unanimous. We have the organization of churches in Canada. Virtually every church organization Canada-wide is opposed. The Canadian federation of teachers is opposed. We have a situation where we have the Canadian farmers' association opposed. So what you have is the people who really care are opposed and big business is in favour. I leave it to the members which one they want to listen to.

**Mr. Brandt:** Not much applause after that answer. It was a good try, but.

Interjections.

**Mr. Harris:** I am moving up.

**Mr. Speaker:** Order. Please allow the member for Nipissing to put his question.

**Mr. Harris:** I am impressed that the teachers of this country are opposed. I know they will be affected dramatically one way or the other.

**Mr. Speaker:** The question is to which minister?

#### RETAIL STORE HOURS

**Mr. Harris:** I have a question for the Deputy Premier.

Christmas is a special time of year for families. The Sunday after Christmas is a particularly special day for millions of people in Ontario. Many store owners, business employees, owners of stores and malls, who really do not want to work or be open on December 27, will be forced to because of inaction and bungling on the part of the Minister of Labour (Mr. Sorbara), the Attorney General (Mr. Scott), the Premier (Mr. Peterson) and the Solicitor General (Mrs. Smith).

As Deputy Premier, the man in charge today while the photo op is on in Ottawa, would he not agree, with the support of my party and I am sure with the support of the New Democratic Party, to support special legislation to prohibit wide-open shopping and business openings on this one very special day every seven years?

**Hon. R. F. Nixon:** No.

**Mr. Harris:** I want to point out to the Deputy Premier and to the House that it is not too late for the Liberal government to show some leadership on the issue.



Petitions, letters and phone calls have been coming in to all members on all sides of the House. Given that the government has already tinkered with the issue, it has dilly-dallied, the Solicitor General has flip-flopped a couple of times on it, the Attorney General has taken the law into his own hands and exempted some stores from prosecution, why would the Deputy Premier not do just one simple thing that will solve the problem for this one day? It will be fair for everybody. Most stores are in favour of uniformity, and the only uniformity that can be brought into December 27 is one simple bill saying that for this one day of the year retail stores will not be allowed to open.

**Hon. R. F. Nixon:** I know the honourable member will be aware that the government has given the situation he refers to the most careful consideration. The Solicitor General, a totally idealistic member of the government, has had an opportunity to participate in all the reviews. I believe the policy stated by the Attorney General, the Solicitor General and the Minister of Labour, which the member criticizes, has been well received.

I think it is reasonable under the circumstances. While we are quite prepared to continue the business of the province well into next week, and there is every indication that we will, we really feel that the request from the member is unreasonable.

**Mr. Villeneuve:** The Deputy Premier comes from a small community, as I do. He should always remember what he is doing to family-owned businesses in small malls on such a day as December 27. I was at the inauguration of a warden where 20 municipalities were represented. Many, many people wearing red ties, who thought they were maybe affiliated with the Liberal Party, are very unhappy with what the Solicitor General has done. Would the Deputy Premier not reconsider December 27, 1987?

**Hon. R. F. Nixon:** Actually, the honourable member and I do share a rural background and a certain sensitivity. I do not know what church he goes to, but I go to the United Church in the village of St. George. When church is out, the elders of the church drive up to the local grocery store, which is open on Sunday now under the present legislation passed by the Progressive Conservative Party when it was the government.

Every store in town is open. I do not recall even having a chance to cast a vote for that, but frankly, I do not find the same opposition in my own rural community as the member finds in his. While it is obvious that, as is usual, not

everybody supports a thoughtful initiative taken by the government, there it is. We feel it is for the best benefit of the community under the circumstances and we are prepared to go forward with it.

#### HOME SUPPORT SERVICES

**Mr. Reville:** My question is for the Minister of Community and Social Services. The home support services provided by the Woodgreen Community Centre in Riverdale allow 1,000 seniors to live independently in the community.

In February, the ministry informed Woodgreen that the ceiling for ministry grants would increase to 70 per cent and that the centre should use this figure when making budget submissions. Unfortunately, in November, the ministry said the funding would be 56 per cent. This bait and switch creates a deficit of over \$40,000 for this one centre and creates cutbacks in the future. Woodgreen is not alone. Funding for home support programs provided by St. Christopher House, Community Care East York and Dixon Hall have all been cut back or limited.

Can the minister explain why, when this government is putting on such a show of support for seniors, valuable long-standing programs would be cut back?

**Hon. Mr. Sweeney:** When this government took office, the share of home support programs was up to 50 per cent all across the province. We made a commitment to increase that, up to 60 per cent last year and up to 70 per cent this year. We have done both of those. When the member talks about 56 per cent, the "up to" means that—

**Mr. R. F. Johnston:** Outrageous. Oh, no.

**Hon. Mr. Sweeney:** I have not finished yet. The "up to" meant that whatever other resources they had available were taken into consideration. We have recognized that a number of communities and a number of agencies had difficulty doing that and, as of January 1, 1988, it will be a flat 70 per cent for everybody.

**Mr. Reville:** "Seniors and disabled people want to be independent and remain in their home communities. We must provide the necessary supports to make this a reality." That was a campaign trail quote from the Premier (Mr. Peterson).

I now ask the minister, is the reality that the government is siphoning money away from established programs, because of all those centres he has put into deficit, to put the money into its much ballyhooed pilot integrated home-maker and one-stop access programs?



**Hon. Mr. Sweeney:** I am having some difficulty following the member's line of reasoning. It was indicated very clearly when we met with the various home support agencies that they wanted a higher share available to them, taking into consideration their ability to raise money locally. We did that. We increased it from 50 to 60. Then we increased it from 60 to 70. They came back to us a second time and said they were still having difficulty raising money. We then made a commitment to flat-line all agencies at 70 per cent.

Interjection.

**Hon. Mr. Sweeney:** I have just told the member we are going to do that.

### CULTURAL INDUSTRIES

**Mrs. Marland:** My question is to the Minister of Culture and Communications. As the minister for culture, the minister in cabinet undoubtedly is a strong and forceful voice on any issue that pertains to her portfolio or responsibilities. Equally, I am sure the Premier (Mr. Peterson), on any matters that touch upon cultural issues, asks the minister for her advice and guidance. Given that, can the minister tell the House under which article of the free trade agreement is the entire issue of culture discussed, and exactly what does the article say?

**Hon. Ms. Munro:** My briefing notes indicate that the cultural industries are not in as much jeopardy as we had originally felt. Certainly, copies of the free trade agreement are available as it relates to cultural industries. I would be pleased to send the member the briefing notes.

We, however, still continue to be concerned about such clauses as "notwithstanding," about national treatment and a number of other issues. None the less, we have been informed that postal subsidies, for example, will be handled in a much more sensitive way. I have, and our ministry has, of course, been in close contact with the Premier and his briefing people. We feel a little bit more relieved about the cultural references, but we will have to wait and see.

**Mrs. Marland:** I did not hear the minister tell me the answer to my question, which is the article, so I am going to assume that she does not know the article number. By her answer, I am afraid she is saying that she is unaware of how that article impacts on our cultural industries.

The minister is admitting that she played no part and no role whatsoever in the formulation of the government's policy on free trade. She is admitting that the Premier and his henchmen simply told her—and I expect the rest of the

cabinet—"The agreement is bad and we want you all to repeat that until you have the line down pat."

Given the ignorance of the issue that the minister has demonstrated today in the House as to the article in the free trade agreement, will she admit now that she does not really understand the free trade agreement, and will she agree that any resolution on the merits of the agreement should wait until the standing committee on finance and economic affairs of this Legislature completes its deliberations on this matter?

**Hon. Ms. Munro:** It is quite amazing to me the way in which people pass judgements on the understanding of other people. All I can tell the member is that I am well versed on the articles of the trade agreement as it relates to culture. I live, eat and sleep considering those particular requirements. I have certainly given the right kind of advice to my Premier, who has also relayed it.

If we are going to get down to a sort of personal bantering across the floor, we can do that. If there is any information the member wishes, I will give it to her; but, my dear, I certainly understand the article.

Interjections.

**Mr. Speaker:** Order.

### ONTARIO'S BICENTENNIAL

**Mr. Owen:** In 1991, the 200th anniversary of the establishment of this province as a legal jurisdiction will take place. It was on June 10, 1791, that the British imperial government passed the Constitutional Act creating Upper Canada and Lower Canada. On June 19, 1791, the act received royal assent and it came into effect December 26, 1791. On August 24 of that year, John Graves Simcoe was appointed our Lieutenant Governor.

Unfortunately, and for the wrong reasons, an earlier government chose to commemorate the 200th anniversary a few years ago. However, historically and factually, it should be 1991. Will this province observe the real 200th birthday in 1991?

**Mr. Speaker:** Which minister?

**Mr. Owen:** It is to the Minister of Culture and Communications.

**Hon. Ms. Munro:** For a moment, I was starting to worry. In any event, I take heritage very seriously and I think the celebration of the 1791 event is very important to Ontario. Those of us who are historians remember the kerfuffle that was created in academic and community circles over the earlier celebration in 1984. None the



less, that celebration was to celebrate the number of the United Empire Loyalists coming into Canada and Ontario, so that is fair.

What we have been doing since we came into government has actually been celebrating every year as a heritage year. When the 200th celebration comes up in 1991—and incidentally, 1992—I expect a number of ministries will become involved and provide money, direction and information to celebrate it.

**Mr. B. Rae:** I expect so too, particularly if it is an election year. Then I think we can count on it.

**Hon. Mr. Scott:** This question has a supplementary.

**Mr. B. Rae:** When will red become the official colour of the province?

**Mr. Speaker:** I am sure there are a lot of other members who would like to ask questions if we could continue with the supplementary.

**Mr. Owen:** As a boy, I was always told that it is a long road that does not have a curve in it. I appreciate some of the reasons the previous government chose to have a bicentennial before. It is almost like the television program: "Will the real bicentennial please stand up?" But what will the minister do to explain to the public that this is the real bicentennial and how do we explain what efforts or what schemes were behind the previous bicentennial? What will the minister do to have tattoos, to have educational competitions for 1991?

**Mr. Speaker:** I am sure the member has had opportunity to place his question.

**Hon. Ms. Munro:** I always find that truth will out. What will happen is that, through co-operation among a variety of ministers, the historical accuracy of the 1791 Constitutional Act, the times at which we elected our first Legislative Assembly, the occasions on which the ridings and the first provincial assembly came into being will be documented. I have no doubt that my colleague the Minister of Education (Mr. Ward) will assist in getting that information to the schools.

In addition, the Minister of Tourism and Recreation (Mr. O'Neil), along with myself, will be providing information on this truly glorious celebration year. In fact, the interest of the opposition has made me even more dedicated to making sure that we do truly celebrate.

1450

#### INTERVENER FUNDING

**Mrs. Grier:** I have a question of the Attorney General. In the months preceding the appoint-

ment of this government, I raised a number of times with the Minister of the Environment (Mr. Bradley) and with the Attorney General the promise that had been made by the Liberals in 1985 that they would introduce a comprehensive policy for the funding of interveners so that citizens and groups wishing to appear before tribunals or boards would be assured that funding would be available to them. Can the Attorney General tell us whether it is still the policy of this government that there ought to be a comprehensive policy for intervener funding?

**Hon. Mr. Scott:** I would like to thank the honourable member for the question. As she notes, there was a reference to intervener funding in the 1985 speech from the throne and we are working our way through the initiatives in that speech and in the succeeding speech. As the initiatives are developed, they will come before the House to be considered by all members of the assembly and voted on. I have taken an interest in the matter to which the honourable member refers, as has the Minister of the Environment, and we will be considering what response should be advanced shortly.

**Mrs. Grier:** That is almost identical to the answer that the Attorney General gave on April 30, 1986. It is very similar to the answer the Minister of the Environment gave me in May 1986. What prompted me to ask again was that last week, during the debate on my environmental bill of rights, the member for York East (Ms. Hart) told the House that the Ministry of the Attorney General is developing a progressive policy on intervener funding. Of course, I am anxiously awaiting that policy and I am glad to hear yet again that it is coming, but can I ask the Attorney General whether he considers that the present system of ad hoc funding at the pleasure of the Minister of the Environment is sufficient, and how long is he prepared to see that kind of ad hockery take the place of a comprehensive intervener funding policy?

**Hon. Mr. Scott:** The reason the answer I give today is very similar to the answer I gave the last time is because I know that the question is really intended to be directed to the Minister of the Environment, who is unavoidably not in his place today. I have tried to give the honourable member the answer that I think the Minister of the Environment would have given if he had been asked the question.

The Minister of the Environment and other ministers have tried to respond to the problem of funding—



**Mr. R. F. Johnston:** Stretch it out a bit.

[Laughter]

**Hon. Mr. Scott:** Is this the way it is done?—on an ad hoc basis because of the difficulties that the formulation of a more permanent policy undoubtedly create. I think the Minister of the Environment would tell the member that in fact the ad hoc response, while not as a matter of principle precisely the way one would prefer to proceed in the best of all possible worlds, has indeed produced a satisfactory response to the actual problems that are being dealt with in the tribunals.

**Mr. Sterling:** I now know why the Treasurer (Mr. R. F. Nixon), who sits beside the Attorney General, has such little regard for the legal profession.

#### WORKERS' COMPENSATION BOARD

**Mr. Sterling:** I have a question for the Minister of Industry, Trade and Technology. Which area of concern has been identified by the small business sector as being the most significant problem affecting their operations today?

Interjections.

**Hon. Mr. Kwinter:** I would say that if you had to identify the one major concern that small businesses have, it is their access to capital.

**Mr. Sterling:** That puts into perspective just how much the government knows about what small business is all about. The Canadian Federation of Independent Business has identified the Workers' Compensation Board as being the most significant problem facing small businesses today. Yet in the publication which the ministry produced yesterday, there are but two small mentions of the problems with the WCB.

My question to the minister is this: small business has called for a royal commission to look into the Workers' Compensation Board. Labour has called for a royal commission to look into the Workers' Compensation Board.

**Mr. Reville:** We have called.

**Mr. Sterling:** The New Democratic Party has asked for a royal commission to look into the Workers' Compensation Board. The Progressive Conservative Party has asked for the government to look into this matter with a royal commission.

**Mr. Speaker:** The question is?

**Mr. Sterling:** As the minister of industry—

**Mr. Speaker:** Order. Would the member take his seat. I think there was a question there somewhere. Minister.

**Hon. Mr. Kwinter:** I apologize to the member. When he asked me the question, I thought he was talking about startup of a small business, which is basically what that book is talking about, and how we can encourage businesses. I can assure him the issue that has been identified is the lack of access to capital. Once they are in business, he is correct.

Notwithstanding that, I am sure the member has heard the Minister of Labour (Mr. Sorbara) say that everyone recognizes there are concerns about the way the Workers' Compensation Board is being utilized and some of the problems with it. We have undertaken to look at that. The minister has stood in his place on several occasions and given that assurance. I can assure the member he will.

**Mr. Sterling:** No. It is you who has to get it on the road. You represent small business.

**Hon. Mr. Kwinter:** That is his responsibility and he is going to be looking after it.

#### ACCESS FUND

**Mr. Carrothers:** My question is directed to the Minister without Portfolio responsible for senior citizens' affairs. It concerns the fund, called the access fund, operated jointly by her office and the office for disabled persons. This fund was recently mentioned in the House and I have been receiving questions in my constituency office as to the status of that fund. I wonder if the minister is in a position to inform the House of the current status of that fund.

**Hon. Mrs. Wilson:** The access fund is intended to increase physical access by physically disabled people and senior citizens to existing community facilities. The budget allocated \$15 million over a three-year period which would be divided equally between the two offices. The program actually provides matching funds to nonprofit community groups of up to \$50,000 per organization for eligible renovations. To date, 1,625 applications are in the hands of various senior citizens' organizations and their proposals are being considered right now as we talk. In total, more than 6,000 applications are in the community.

**Mr. Carrothers:** I thank the minister for that information. I wonder if she could also clarify what seniors' groups are eligible for funds and what type of project costs might be covered.

**Hon. Mrs. Wilson:** The eligibility criteria are clearly outlined in the application form. Incorporated, nonprofit organizations which open or will open their facilities to seniors and the disabled



will be eligible for the grants. Organizations which are eligible are groups such as senior citizens' centres, consumer and religious groups and municipalities which operate elderly persons' centres. Grants are provided for various renovations to improve access, such as grab-bars, ramps, elevators, those sorts of renovations, and also certain professional fees will be covered.

I would be pleased to assist members with regard to this fund and members of their constituencies. I am sure the Minister without Portfolio responsible for disabled persons (Mr. Mancini) would as well.

### LABOUR DISPUTE

**Mr. Mackenzie:** I have a question for the Minister of Labour. The minister will be well aware that the 235 workers at the McGregor Hosiery Mills, mostly immigrant women, working hard at very low wages for a company that is not doing that badly, thank you, have faced just about every roadblock possible on the way to a free collective agreement this time around. The minister will also know the workers have rejected the company offer in a section 40 vote. I believe his ministry has been talking with these people. Can he tell us just what he is doing now to see that they do get down to serious collective bargaining?

1500

**Hon. Mr. Sorbara:** I want to thank my friend the member for Hamilton East for that question. It really is a rather interesting situation that arose as a result of the vote which was taken under section 40 of the Labour Relations Act, a vote which, I remind you, Mr. Speaker, I am required under section 40 to provide for, and in that respect simply inform you and other members of the House that the vote took place last Monday.

The interesting result was that although the contract was rejected—that is to say, more of the ballots agreed upon as valid ballots were against the agreement than for the agreement—the result was so close that some eight contested ballots might well affect the resolution of that vote.

Let me just say that whether or not the contract is accepted or rejected is not the final determination of the matter. I understand that as a result of that vote, the parties are back negotiating now, and the ministry will be providing whatever mediation or conciliation assistance we can provide to bring the parties together, resolve their differences and bring those workers back to work.

**Mr. Mackenzie:** The minister will also know that the chief threat of the company and the negotiations has been the argument that they are facing free trade, they cannot meet the competition and that is why they cannot raise the wages. Inasmuch as there are some 72,000 workers in Ontario in related industries—shoes, clothing and so on—can the minister tell us what he is doing to see that this kind of argument is not used in a deliberate effort to reduce wages in this province?

**Hon. Mr. Sorbara:** My friend makes a very good point that is in many respects central to the whole debate on free trade. It may well be that in some corporate boardrooms this agreement, as the member for Sarnia (Mr. Brandt) has suggested, is heralded; but for the workers of this province and this province, it may well be bad news indeed.

He asked me what steps we are taking. Obviously, we are taking every step we can through the Premier (Mr. Peterson), through the Ministry of Industry, Trade and Technology and within my own ministry to bring those arguments to the people of this province and this country as effectively as we can.

I should think that arguments that management at McGregor may use to suggest, "We cannot do anything about it; we are going to be the victims of free trade," simply will not wash where unions are effectively negotiating on behalf of their workers; but frankly, it may well be a risk we are facing in these times, at least for the next little while.

### ARBITRATION BOARD RULING

**Mr. Harris:** Earlier this week, I had a question of the Minister of Labour (Mr. Sorbara) concerning witchcraft and the implications of the labour board ruling that in effect said that Wicca is obviously a religion, and that seems now to be his ministry's interpretation. I asked the minister at that time if he would review that situation, because I feared we would start getting into other areas with other potential religions and into other areas of jurisdiction, like tax structure and what not.

I notice the Minister of Labour is listening carefully; he has not responded to that. But I do not have a question for him today; I have a question for the Minister of Consumer and Commercial Relations.

Interjections.

**Mr. Speaker:** Yes. I understand.

**Mr. Harris:** The fears I brought forward last week are now being confirmed. I notice in the



Etobicoke Life of December 16 that the warlock is applying for a licence to perform marriages. This matter, I understand, is being referred to the minister's lawyers for a ruling. I would like to know what the minister thinks of that. I would like to know whether there has been any consultation with other areas in the ministry or other ministries as to what the position of this government is going to be.

Interjections.

**Hon. Mr. Wrye:** My friend says we should pray for divine intervention.

The information the member brings to my attention is the first I have heard of it. I am sure that if that application has been made, it is being duly considered as these matters move forward and that I will have a chance to review it, should that become necessary, at the appropriate time. There is a procedure for these matters moving forward, and I presume that procedure is being followed.

**Mr. Harris:** I am surprised he does not keep on top of these burning issues across this province—

Interjections.

**Mr. Harris:** Even as I speak, I am worried about whether I am going to be hit with a twang of pain.

I want to say to the minister that I think the matter can be far more serious than at first glance it appears to be. I would suggest that it be not only the lawyers in his ministry who look at this. We saw what happened with the labour board ruling. I would ask the minister if he would consult with lawyers in various ministries, particularly in the Attorney General's ministry, and in Treasury when the tax implications come in.

Can he not see that this can have a rippling effect that may have very serious implications as to what is called a religion in this province and accepted as being called a religion by this government?

**Hon. Mr. Wrye:** I hear the member's very grave concern about witchcraft. I can say that it should not be a surprise to my friend the member for Nipissing that these matters go forward to the registrar and not to the minister for determination. Perhaps it would not be surprising to him that at this stage, where it is under administrative review, each and every case would not be brought to my attention.

We will have a look at the matter if it is deemed necessary. Certainly lawyers from the Ministry of Consumer and Commercial Relations, who

are attached to the Ministry of the Attorney General, can consult with their peers if that is deemed necessary.

I think the honourable member is, as we move forward in this festive season, raising a concern that is perhaps premature.

#### POLICE DUTIES

**Mr. Callahan:** I have a question for the Solicitor General. Recently in the press there have been reported allegations in Milton that police officers are required to issue a certain number of tickets or carry out a certain amount of procedures as a condition of their employment.

I would like to ask the Solicitor General, first of all, is there any indication that this is correct, recognizing the fact that the administration of justice should not only be done but also appear to be done?

**Hon. Mrs. Smith:** Like the member for Brampton South, I have read the interesting information in the newspaper that would seem to indicate that indeed a policeman is being charged with not having given enough tickets. I find that very interesting. It confirms, as a driver, all my worst fears. I plan to be very cautious on the holidays and I wait with interest to see whether the courts decide that this is a reasonable ruling or not.

#### FUNERAL SERVICES

**Mr. Swart:** My question is to the Minister of Consumer and Commercial Relations and it is further to the discussion we had the other day in this House on the Tom Turner report.

I want to say to the minister that, regardless of how he tries to excuse and denigrate that report, he has to admit that the accusations made by Mr. Turner against at least a segment of the commercial cemetery industry were extremely serious and indicated totally unacceptable practices.

I just want to say that if he and the previous minister had the slightest sincerity in getting to the bottom of this issue and protecting bereavement victims, how does he explain his statement to reporters, "There was no follow-up investigation on the Turner report"?

**Hon. Mr. Wrye:** I explain it by saying I misspoke. There is one, and I have some of the details here, but part of the follow-up investigation is not complete. Some matters are still being investigated.

But I would say to my friend, while I am on my feet and since he has released this report—and I do not excuse perhaps some of the actions that are



pointed out; if they are so I would condemn them, as would all honourable members—but I would draw my friend's attention and the attention of the House to point one in the summary of Mr. Turner's investigation. It is something my friend left unsaid. It said, "The investigation did not reveal evidence to support charges under the Cemeteries Act."

**1510**

**Mr. Swart:** That is possible when we have such a weak Cemeteries Act that it could not support any charges regardless of how blatant the acts were.

I have here two Tom Turner reports, would members believe? One is a 20-page report, which I referred to on Tuesday, and a five-page report, from which most of his serious indictment of the commercial cemeteries has been removed and from which his original request to bring together a task force or public inquiry as soon as possible has been revised, although he still asks for an in-depth investigation.

Strangely, the two reports are dated the same day, July 18, 1985. I ask the minister, is it not true that Mr. Turner was told to go back and launder his original report so as not to be so critical of the government's friends in the commercial cemetery industry?

**Hon. Mr. Wrye:** The answer to the question, "Is it not true that he was told to go back and launder?" is no.

**Mr. Swart:** Why is there a second report?

**Mr. D. S. Cooke:** Why is it from 20 pages to five pages?

**Mr. Speaker:** I am sure some of those questions can be asked at a later time.

#### SUPPLEMENTARY ESTIMATES

**Hon. Mr. Elston:** I have a message from His Honour the Lieutenant Governor, signed by his own hand.

**Mr. Speaker:** The Lieutenant Governor transmits supplementary estimates of certain additional sums required for the services of the province for the year ending March 31, 1988, and recommends them to the Legislative Assembly. This is signed by the Honourable Lincoln Alexander.

#### PETITIONS

##### RETAIL STORE HOURS

**Mr. Owen:** I have a petition addressed to the Lieutenant Governor of the province of Ontario, signed by 76 members of the Innisfil Community Church in Stroud, Ontario, and it reads,

"We, the undersigned, believe in the importance of keeping Sunday as a common pause day, so that all people may have physical, spiritual and social health. We are concerned about the quality of life and the wellbeing of the people of our province. We object to the further commercialization of life through the proposed Sunday shopping legislation. We further agree that such legislation should be enforced consistently throughout the province by the province, preventing general or mass exemptions by municipal authorities."

##### HUNTING RESTRICTIONS

**Mr. McGuigan:** I have a petition signed by 625 people addressed to the Lieutenant Governor, as follows:

"Be it resolved that we, the undersigned, hereby petition the said Lieutenant Governor in Council to designate all shoreline properties which are zoned residential off limits to the hunting of all game birds. The said designation restricting hunting is to commence at the existing shoreline outward for a distance of 500 feet."

##### RETAIL STORE HOURS

**Mr. J. M. Johnson:** I have a petition to His Honour the Lieutenant Governor and the Legislative Assembly of Ontario.

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"We believe in the importance of keeping Sunday as a common pause day, so that all people may have physical, spiritual and social health. We are concerned about the quality of life and the wellbeing of the people of our province, and we object to the further commercializing of life through the Liberal government's proposed Sunday shopping legislation."

**Mr. Brandt:** I have a petition to His Honour the Lieutenant Governor and the Legislative Assembly of Ontario.

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"We believe in the importance of keeping Sunday as a common pause day, so that all people may have physical, spiritual and social health. We are concerned about the quality of life and the wellbeing of the people of our province, and we object to the further commercializing of life through the Liberal government's proposed Sunday shopping legislation."

**Mr. Harris:** I have two petitions. The first reads:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:



"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"We believe in the importance of keeping Sunday as a common pause day, so that all people may have physical, spiritual and social health. We are concerned about the quality of life and the wellbeing of the people of our province, and we object to the further commercializing of life through the Liberal government's proposed Sunday shopping legislation."

I have a second one that reads:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned, employees of businesses located at the Northgate Mall, wish to convey to you and the provincial Legislature our amazement that Sunday shopping will be permitted on December 27, 1987.

"We firmly believe that the law prohibiting trade on Sundays in August is equally valid in December and concessions to the law should not be made.

"For most working people of this province, the Christmas holiday of 1987 will be an extended one by virtue of the calendar. That same calendar would have given retail employees one extra day of well-earned rest but for the decision to allow shopping on December 27.

"For those retail employees among us who feel strongly that the sanctity of the Sabbath should be preserved, a conflict will emerge as to whether to obey the wishes of the employer or the dictates of the conscience.

"We request that you convey to the Premier in the strongest of terms that we consider recent concessions to Sunday trading laws to be ill-advised and contrary to the public interest."

It is signed by hundreds, maybe thousands. I have not had time to count them all.

**Mr. Speaker:** Was that addressed to the Lieutenant Governor?

**Mr. Harris:** Yes.

**Mr. Cousens:** I have a petition as well for this House.

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"We believe in the importance of keeping Sunday as a common pause day, so that all people may have physical, spiritual and social health. We are concerned about the quality of life and the wellbeing of the people of our province, and we object to the further commercialization of life through the Liberal government's proposed Sunday shopping legislation."

**Mr. Sterling:** I have a petition as follows:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"We believe in the importance of keeping Sunday as a common pause day, so that all people may have physical, spiritual and social health. We are concerned about the quality of life and the wellbeing of the people of our province, and we object to the further commercialization of life through the Liberal government's proposed Sunday shopping legislation."

**Mr. Pope:** I have a petition which reads as follows:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"We believe in the importance of keeping Sunday as a common pause day, so that all people may have physical, spiritual and social health. We are concerned about the quality of life and the wellbeing of the people of our province, and we object to the further commercializing of life through the Liberal government's proposed Sunday shopping legislation."

**Mrs. Marland:** I too have a petition:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"We believe in the importance of keeping Sunday as a common pause day, so that all people may have physical, spiritual and social health. We are concerned about the quality of life and the wellbeing of the people of our province, and we object to the further commercializing of life through the Liberal government's proposed Sunday shopping legislation."

**Mr. Eves:** I too have a petition which reads as follows:

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"We believe in the importance of keeping Sunday as a common pause day, so that all people may have physical, spiritual and social health. We are concerned about the quality of life and the wellbeing of the people of our province, and we object to the further commercializing of life through the Liberal government's proposed Sunday shopping legislation."



**Mr. Wiseman:** I too have a petition.

"To His Honour the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"We believe in the importance of keeping Sunday as a common pause day, so that all people may have physical, spiritual and social health. We are concerned about the quality of life and the wellbeing of the people of our province. We object to the further commercialization of life through the Liberal government's proposed Sunday shopping legislation."

**Mr. Villeneuve:** I am very disappointed to hear the Liberals taking this so lightly. It is a joke.

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"We believe in the importance of keeping Sunday as a common pause day, so that all people may have physical, spiritual and social health. We are concerned about the quality of life and the wellbeing of the people of our province. We object to the further commercialization of life through the Liberal government's proposed Sunday shopping legislation."

#### NATUROPATHY

**Mr. Pelissero:** I would like to present a petition to the Legislature, signed by 44 persons in the riding of Lincoln, which calls on the government "to introduce legislation that would guarantee naturopaths the right to practise their art and science to the fullest without prejudice or harassment."

#### RETAIL STORE HOURS

**Mr. Jackson:** "To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"We believe in the importance of keeping Sunday as a common pause day, so that all people may have physical, spiritual and social health. We are concerned about the quality of life and the wellbeing of the people of our great province. We object to the further commercialization of life through the Liberal government's proposed Sunday shopping legislation."

**Mr. McCague:** I have a petition authored by the Liberal Party.

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"We believe in the importance of keeping Sunday as a common pause day, so that all people may have physical, spiritual and social health. We are concerned about the quality of life and the wellbeing of the people of our province. We object to the further commercialization of life through the Liberal government's proposed Sunday shopping legislation."

That did come from the Liberals too.

#### REPORT BY COMMITTEE

##### STANDING COMMITTEE ON PUBLIC ACCOUNTS

Mr. Philip from the standing committee on public accounts reported the following resolution:

That supply in the following amount and to defray the expenses of the Office of the Provincial Auditor be granted to Her Majesty for the fiscal year ending March 31, 1988:

Administration of the Audit Act and statutory audits program, \$4,895,300.

#### INTRODUCTION OF BILLS

##### FARM PRACTICES PROTECTION ACT

Hon. Mr. Riddell moved first reading of Bill 83, An Act respecting the Protection of Farm Practices.

Motion agreed to.

##### CORPORATIONS TAX AMENDMENT ACT

Hon. Mr. Grandmaître moved first reading of Bill 84, An Act to amend the Corporations Tax Act.

Motion agreed to.

##### MINING TAX AMENDMENT ACT

Hon. Mr. Grandmaître moved first reading of Bill 85, An Act to amend the Mining Tax Act.

Motion agreed to.

##### HIGHWAY TRAFFIC AMENDMENT ACT

Hon. Mr. Fulton moved first reading of Bill 86, An Act to amend the Highway Traffic Act.

Motion agreed to.

##### ONTARIO HIGHWAY TRANSPORT BOARD AMENDMENT ACT

Hon. Mr. Fulton moved first reading of Bill 87, An Act to amend the Ontario Highway Transport Board Act.

Motion agreed to.



## TRUCK TRANSPORTATION ACT

Hon. Mr. Fulton moved first reading of Bill 88, An Act to regulate Truck Transportation.

Motion agreed to.

## GARBAGE RECYCLING PROGRAMS ACT

Mrs. Marland moved first reading of Bill 89, An Act requiring Municipalities to establish Programs for the Recycling of Garbage.

Motion agreed to.

**Mrs. Marland:** The purpose of the bill is to require all municipalities to establish and implement programs for the separation at source and recycling of garbage. The bill sets out the required elements of programs and allows councils of municipalities to include in programs other elements considered necessary. A municipality can establish and implement a separation-at-source and recycling program either on its own or jointly with other municipalities. A municipality will report annually to the minister on the results of its program.

## CITY OF MISSISSAUGA ACT

Mr. Offer moved first reading of Bill Pr22, An Act respecting the City of Mississauga.

Motion agreed to.

## POLL

**Hon. Mr. Conway:** Before the orders of the day, I want to inform the House that I have laid on the table a voluminous document which is a study, in the nature of an opinion poll, done for the Ministry of Health.

1530

## ORDERS OF THE DAY

## TRADE WITH UNITED STATES

(continued)

Resuming the adjourned debate on the amendment to government motion 8 on the proposed trade agreement between Canada and the United States.

**Mr. Speaker:** The member for Cochrane South adjourned the debate. He may have some further comment.

**Mr. Pope:** I was beginning my introductory remarks yesterday with respect to this most important issue and I realized that inadvertently I had misstated a fact. I want to bring it immediately to the attention of the members of the assembly. I had indicated yesterday that the Continuing Committee on Trade Negotiations had held 19 meetings since January 1986. I

ascribed that to the Minister of Industry, Trade and Technology. In fact, on December 10 of this year, the minister indicated that there had been 18 meetings of the Continuing Committee on Trade Negotiations, 18 occasions on which representatives of the government of Ontario had met with their counterparts from other provinces and with the federal government to discuss in detail various elements of this agreement.

I want very briefly for you, Mr. Speaker, and for the members of the Legislature to indicate why we believe this debate must continue. This is the most important economic and national issue confronting this country today. It is one on which many have expressed opinions and over which many have expressed anxieties. We believe it is incumbent on every member of this Legislature for this most important, critical issue to speak on behalf of his constituents and to offer his own advice and opinions on the nature of this agreement and whether this province should endorse the agreement and work within the context of the agreement reached between the federal government and the federal government of the United States in bringing about an improved and enhanced trading relationship between Canada and its biggest customer, the United States.

It was our understanding initially that this whole agreement, this matter, would be referred to a committee and that we would be discussing over the course of the last two days a procedural motion to refer the agreement to a committee. Rather, we now have the government House leader having introduced a substantive motion which urges members of this assembly to take an immediate position on the free trade agreement itself and urge its rejection.

By making that determination, I believe that we as members of the Legislative Assembly will totally prejudice the committee's deliberations and the new and additional information that may come to light by representations of witnesses who will appear before that committee.

I believe the position our party takes is similar to the concerns that the official opposition has voiced in this House; that is, before a final decision on a position of this Legislature on the agreement itself, there should be committee hearings.

Now we are into the third day of debate on this most important resolution, which was introduced three days before the projected termination date of this session. Now we are in our third day of debate on this most important issue, on which I would urge every member in this Legislature,



including the members of the Liberal government, to stand up and speak. If they have concerns about this agreement, if they have heard from their constituents about this agreement and some potential problems with this agreement, now is the time to stand up, because now is the time when this Liberal government is asking the members of this assembly to take a position on the agreement—now, not during the committee hearings, not after having listened to expert witnesses, trade representatives, union representatives, community representatives, not after hearing what they have to say about the agreement, but before we hear what they have to say.

I urge every member of this assembly to join in. This is a historic debate in this assembly. This is a historic debate across this country, one that is being held in other legislative assemblies and in which members from all political parties in this country are participating, a debate which is ongoing through committee and in the federal House of Commons.

I believe the outstanding matters of this legislative session would have been expeditiously dealt with, by agreement, if this resolution had been referred to the committee as opposed to insisting, as the government House leader has insisted, that a vote be held on it. Matters that led six cabinet ministers today to issue eight statements of policy, that have led many cabinet ministers today to introduce important pieces of legislation, could have been reviewed today, yesterday and the day before.

Interim supply could have been dealt with. Metropolitan elections would have been dealt with had this matter been referred to a standing committee, as we originally thought it should have been and was going to be, without the necessity or the insistence of a substantive vote.

I think it is important to note that the Premier (Mr. Peterson) made this agreement and the free trade or enhanced trade relationships with the United States the cornerstone of his election campaign just three months ago. Yet in this debate the Premier has yet to participate.

I am not saying that he has not made statements in the Legislature with respect to different elements of the agreement and the constitutionality of it. I am not saying that it was not right or just that the Minister of Industry, Trade and Technology (Mr. Kwinter) should lead off the debate, but I think on a critical issue of this great importance to all regions, all occupations, all businesses, all workers of this province, the Premier should have addressed this

assembly and laid out in detail his objections to the specific text of the agreement that we now have before us, and laid out in detail his options to protect industries, workers and communities in the context of our trade dependence on the United States.

It was incumbent, as the Leader of the Opposition (Mr. B. Rae) has done and as the leader of our party has done, to stake out in detail the positions of the political parties of this province. So far the Premier has not spoken on this motion. We presume he will make a detailed statement next week in this Legislature, both with respect to reporting on today's events in Ottawa and in terms of outlining on virtually a clause-by-clause basis his objections to this free trade agreement, the text of which we now have before us, and in detail his options.

Before this most important vote is to take place, we have not had a report to this House of the cabinet subcommittee on free trade. We have not had a tabling of the numerous reports and studies the Ministry of Industry, Trade and Technology indicated it had in its possession. As I recall the words of the Minister of Industry, Trade and Technology in estimates, I think he indicated he had had correspondence and communication with approximately 30 groups in Ontario over the past two months.

It is those studies from those 30 groups, it is the information from the 30 groups, not the two government studies that have been tabled. That is an entirely different matter. As the Minister of Industry, Trade and Technology indicated in estimates, that is an entirely different matter. When we asked for that kind of documentation in the estimates of the Ministry of Industry, Trade and Technology, the answer we got was that the material might not be provided because of confidentiality. They took the same position with respect to the minutes and the documentation of the continuing committee on trade negotiation.

All we have is the two legal opinions, both of which have been tabled by the government, which predate the publication of the final text of the agreement, and we have two studies by this government which, again, predate the precise documented agreement that was signed, that was negotiated by representatives of the federal and provincial governments. In fact, we got the agreement from the federal government, not from the provincial government.

**1540**

**Mr. Haggerty:** That is right. We have not got it yet.



**Mr. Pope:** This agreement has been in the member's hands for the last three days. If he has not had the opportunity to read his mail, I suggest he do so. If he wants to make a decision, admitting he has not read the agreement, I find that rather interesting. Is that a Liberal position? He is going to vote on this resolution without having read the agreement. That is rather interesting. I am not surprised, but it is rather interesting.

It is our belief in this party that there is no overwhelming, compelling need for the House to take a formal position on this agreement at this time in advance of the legislative committee's deliberations. We believe there are elements of this agreement that will be subject to further clarification and documentation in future meetings between the negotiators of the United States and Canada and that those negotiations, discussions and meetings will take place, as they have in the past in spite of the advice given to us by this government, through consultation with provincial representatives.

We also want to put on record our belief, my belief, that we were willing to expedite other items of business for this government in order to allow the House to adjourn today, on condition that this resolution be referred to committee. We were rebuffed in those efforts. It seems to us that this Liberal government seems bent on prolonging this sitting for no apparent reason, when this debate should really be taking place after the committee's deliberations and report back to the House. That is the position that our party has with respect to the process, which has been discussed by spokesmen for the official opposition and for the Progressive Conservative Party over the past day and a half.

Yesterday I was discussing a number of elements or examples where I believe there is a growing perception that there appear to be two agendas with respect to Ontario's involvement in the free trade negotiations, a public one and a private one. I indicated yesterday some of the history and comments that have been made, which taken on their own may not be cause for concern, but when we add it all up it appears to us to indicate a real problem of credibility and forcefulness in this government in representing Ontario's position.

First, we had the softwood lumber issue. Second, we had the public comments of the federal Minister for International Trade about the attitude of the Premier in public versus his attitude in private. Third, we had the information given to us by the Leader of the Opposition

yesterday about the impression the Premier left with the congressman he met with in the United States last year, that he might be willing to accept implementation and there might not be much he could do about it. Fourth was the indication of the Premier in news reports that he was not in the room when in fact there were 18 joint negotiating committee meetings held since January 7 of this year.

Fifth, we had the oft-declared intention of the provincial government over the past year and a half to veto this arrangement, to frustrate its implementation. We compare that with the speech of the Attorney General (Mr. Scott) two days ago and the response of the Premier to the Leader of the Opposition in explaining that speech by the Attorney General.

Sixth, we have had the Premier taking various positions on whether or not he is bound to implement it. I refer members of this assembly to the Premier's responses to the questions of the Leader of the Opposition in yesterday's question period, where for the first time he indicated some question in his mind as to whether this provincial government could frustrate implementation of this agreement, even if it involves some provincial context.

Seventh, we had the discussion about the domestic wines issue. The indication we got at that time from the Minister of Consumer and Commercial Relations (Mr. Wrye) was that there was an explanation. I just want to indicate that initially I believed the Minister of Industry, Trade and Technology had indicated that the province was considering its options, that it might even defy the General Agreement on Tariffs and Trade ruling but would not make any final decision on its position until it saw what Ottawa was going to do by way of response.

However, I think it is important to note that very quickly the Minister of Industry, Trade and Technology and the Premier indicated a consistent position with respect to supporting GATT as the best means of securing multilateral trade, knowing that one of the true bases, principles or objectives of GATT is to promote international trade by reducing or eliminating tariffs and other barriers.

So on the one hand, we have support given to the GATT arrangements by the Premier and also by the minister for trade in his statement to the Legislature on November 23 about "an institution that has as its *raison d'être* the promotion of international trade by reducing or eliminating tariffs and other barriers." On the other hand, we have the statement by the same minister for trade



and the Premier saying they would not implement provisions of a free trade agreement which had as their basis the same primary objective of promoting international trade with our best customer, the United States, by reducing or eliminating tariffs and other barriers.

The primary objective of GATT and of this agreement are the same, and yet the Premier is willing to implement a GATT ruling, agree to a phase-out of financial support for the domestic wine industry over a period of time, but he is not prepared to do exactly the same thing in the context of the free trade agreement. I find that a rather telling item, added to the others, that indicates a public posture versus a private implementation position that this government has begun to take over the last few months.

Because it was a very brief statement by the minister, I want to indicate a one-page statement by the the Minister of Consumer and Commercial Relations on November 23, 1987. He indicated his support and the support of the Ontario government for multilateral trade agreements when the aim is to bring about fairness in the international marketplace, something, if memory serves me right, that the free trade discussion with the United States is all about. He also emphasized the Ontario government's ongoing support for the maturing Ontario grape and wine industries and indicated as follows:

"While the immediate elimination of Ontario's current pricing, listing and distribution practices might be seen as an admirable goal by wine-making industries in France, Italy and California, the consequences" of immediate elimination "could prove catastrophic for Ontario's vintners and grape growers. The key issue is time, enough time for Ontario grape growers and wine makers to become more competitive.

"Over the weekend, the government reached an agreement with representatives of the Ontario grape and wine industries that will provide for the gradual elimination of most of the practices viewed as discriminatory."

Funny, that is not a quote out of the free trade agreement, although it could be. That is a quote from the Minister of Consumer and Commercial Relations on November 23 when he announced he would implement provisions that would give effect to the GATT ruling. Interchangeable words, interchangeable primary objectives, interchangeable goals; one is no good because it bears the label of the free trade agreement; the other is OK because it bears the label of GATT.

The fact of the matter is, whether they be in a multinational context or in a bilateral context, the

primary objectives remain, and this government is willing to implement and give effect to that primary objective, which is the improvement of competition in the international marketplace by the elimination of tariffs and other trade barriers; but it will not say that in the context of the free trade agreement because to do that would be, in fact, to endorse the free trade agreement itself.

### 1550

I also indicated that this government, as item 8, has seemed to profess some concern about our economic and cultural sovereignty in the context of the free trade agreement, but no concern over issues related to economic sovereignty when it came to the securities industry.

I would refer members of this assembly to the statement of the Minister of Industry, Trade and Technology on June 11, 1986, when he announced an elimination of some of the barriers for the securities industry from the United States to enter into Ontario and carry on business in this province. He announced an elimination of those barriers almost in the same words as the free trade agreement deals with the elimination of those barriers. This government will not endorse the free trade agreement, but it will endorse the elimination of those barriers.

It will open the doors to the international securities industry to come in because it believes that the Ontario securities industry, the Canadian securities industry, can compete and that it is in Ontario's interest to reduce those barriers to provide for a better investment climate by, of all things, American money. Yet it will not admit that the same goals in the free trade agreement are worthy of support.

The ninth indication—and this was all by way of background to the members of this assembly and in reply to the member for Kitchener (Mr. D. R. Cooke) who wanted examples. He asked for examples of where I thought there was a public agenda and a private one. Mr. Speaker, you will notice I changed my terminology from yesterday, a public agenda versus a private one. We are on example 8.

Example 9, I say to the member for Kitchener who asked me to illustrate these, which is why I am doing it, is this government's position with respect to international or multinational trade, the multinational trade option. Again, we have heard words from the Minister of Industry, Trade and Technology and the Premier of this province that we should explore that option. Those words have been issued in this country and in this province for well over 100 years. It had to do first and foremost with our dependence on the British



market, the British Commonwealth market, and now it is equally applicable to our dependence upon the American market.

I do not believe there is a single member of this assembly who would not support the words of the Minister of Industry, Trade and Technology and the Premier, who called for an improvement in international trade for this province and this country and the development of more multinational trading links.

More trade does not hurt our sovereignty, as some would like us to believe. More trade generates wealth, prosperity, jobs and economic security for the people of this province. We welcome more trade, whether it be with our very best customer, the United States of America, whether it be with Europe, with the Third World or with the Pacific Rim. We welcome anything that will improve and increase our trading relationship, our trade, with all nations of the world. We are all agreed on that.

What steps has this government actually taken in its two and a half years to implement those noble ideals? As fate would have it, we had this discussion in the estimates of the Ministry of Industry, Trade and Technology last week and guess what we found out? That this government—and I say this government uniquely, when I look at the events of the past 11 years in this Legislature—this government uniquely has undertaken no new direct international trade initiatives on its own. Its position is that any contacts which might lead to an enhancement of trading potential, any contacts which may lead to an improvement or an increase in trade with any country in the world, must be done through the federal government.

I can say to my friends that is not a position that we took when we were the government of this province. Yes, we consulted with the federal government; yes, we sought the co-operation and help of the Secretary of State for External Affairs and the Minister for International Trade; yes, we did, but we also initiated on our own direct contacts and negotiations with the European Community and the Pacific Rim. We tried to open up those markets.

I can say that many before this government have worked hard to try to get access for our resource products in the European Community. Were it not for our refinery in Norway and a refinery in Wales, some of our mineral products would never have gotten access into the European Community. The fact of the matter is, in spite of the opposition of the official opposition party, those smelters and refineries in Europe gave us

an avenue, a door into the European Community, a door that could not be shut under the existing rules and regulations that guide the European Community.

I can tell members something else. Despite repeated attempts, I believe there is a real challenge for this government to try to convince the European Community to let our forestry products into that market.

I can say that because I have been involved in those negotiations. We tried in 1983 through direct consultations. We were turned down because of a particular surplus of forest products emanating from a natural disaster in France in the summer of 1982, leading to a particular, specific decision that kept some forest products out of the European Community market. That situation has not changed.

Unless this government believes its only option is to negotiate these matters through the federal government, I say to look at our neighbours and competitors even within our own country. Quebec and the Maritimes have trading offices established in Europe. They make direct contact with governments in Europe but they keep the federal government informed.

British Columbia has had a marketing agency for its forestry products in the European Community for close to six years now. They involve themselves directly in improving trade relationships, in paving the way for more export of Canadian products into the European Community. They involve themselves directly, not because they want to be at odds with the federal government but because they see the unique interest of the provincial governments in the resource sector as being a primary issue that they must continue to support.

The British Columbia government has had some success in penetrating the European Community, granted with very specific prefabricated wood products, but it has had some success, and the governments of Atlantic Canada and Quebec likewise. But this government and this Minister of Industry, Trade and Technology admitted last Wednesday in estimates that the government had made no direct contacts, undertaken no initiatives as a provincial government to seek markets in the European Community or in the Pacific Rim.

I might add that their conduct during the softwood lumber issue as well is rather unique. In 1982 and 1983, when we last had our softwood lumber dispute, the government of Ontario, the government of Quebec and the government of British Columbia each sent cabinet ministers to



Washington and met with the Canadian Embassy and the federal trade officials and together put forward both a federal and provincial position on the matter of softwood lumber. We met with Malcolm Baldrige, who was then Secretary of Commerce. We met with officials at the International Trade Commission. Not only did we present a united front vis-à-vis the federal government but we presented a united front as provinces which have ultimate jurisdiction over the natural resources of this country.

I say that when the government and this Premier indicate that multinational trade is the most viable option, they have not pursued it. They have made no direct contacts themselves. That is what the Minister of Industry, Trade and Technology said last Wednesday. If the member wants to check the record, it is in Hansard; I will send it over to him. So if he says that the Minister of Industry, Trade and Technology, his minister, is wrong, he should talk to him. Here is Hansard. It is right in there and those words were uttered.

1600

I think if this government really, truly believes that multinational trade is an option in opposition to the free trade agreement, where is the proof? What has it done?

I know they closed the trade office in Brussels in 1985. The member is quite proud of that fact; I know he is quite proud of that fact. He closed that office, and I know the Speaker has some knowledge of this matter as well. The government closed the trade office. That is clear. We got the signal.

All we want from this Premier during the course of this debate is that we want him to come in and clearly indicate to the people of this province how he will enhance trade on a multinational basis. What specific markets is he going to corner and has he cornered in his two and a half years of efforts? What additional exports are now going out of Ontario to foreign markets? How many jobs have been created? How many industries have been created or saved?

We would like that kind of detailed information if he truly believes in the multinational trade option. Let us see the proof of the commitment. Let us see the detail that no one in the estimates of the Ministry of Industry, Trade and Technology could provide.

In response to the member for Kitchener, who asked for examples of where I thought there was a public agenda versus a private one, I have indicated nine areas which I think, taken together, indicate that this government has a

problem with this whole issue and with its position in the free trade agreement.

I want to say that I regret today the comments of the Minister of Industry, Trade and Technology in question period, where he said that the people who cared opposed this agreement. This is the same minister who said, "If it is bad for Ontario, it is bad for Canada; and if it is good for Ontario, it is good for Canada."

This government must uphold the traditions of Ontario and lead the process of nation building, of consensus making. It must show it is willing to place the interests of all parts of this country before this assembly as part of its decision-making process.

When the Minister of Industry, Trade and Technology says that the only people who care oppose this deal, he is saying that Premier Vander Zalm does not care. Care about what I do not know; I guess about this country, from the context. He is saying that Premier Getty of Alberta does not care. He is saying that Premier Devine does not care. He is saying that Premier Bourassa does not care. He is saying that Premier McKenna does not care. He is saying that Premier Peckford does not care. He is saying that Brian Mulroney does not care.

He is saying that the Aerospace Industries Association of Canada does not care. He is saying that the Business Council on National Issues does not care. He is saying that the Canadian Bankers' Association does not care. He is saying that the Canadian Chamber of Commerce does not care. He is saying that the Canadian Chemical Producers' Association does not care. He is saying that the Canadian Export Association does not care. He is saying that the Canadian Federation of Independent Business does not care.

He is saying that the Canadian Institute of Public Real Estate Companies does not care. He is saying that the Canadian Life and Health Insurance Association Inc. does not care. He is saying that the Canadian Meat Council does not care. He is saying that the Canadian Urban Transit Association does not care. He is saying that the Financial Executives Institute of Canada does not care. He is saying that the Information Technology Association of Canada does not care. He is saying that the Motor Vehicle Manufacturers' Association does not care. He is saying that the Pharmaceutical Manufacturers Association of Canada does not care. He is saying that the Canadian Manufacturers' Association does not care and he is saying that le Regroupement pour le libre-échange does not



care. He is saying that about half of the people of this country do not care because he deems it so.

That is not the kind of diplomacy and reaching out to the rest of this country that we need on this issue. We need a government of this province that is sympathetic and sensitive to the regional demands in a free trade arrangement with the United States and the regional concerns about enhanced trade with the United States. We need a government willing to listen and accept the fact that their positions are taken in good faith because they care as much as this government, as much as this Minister of Industry, Trade and Technology and this Premier, about this country and about the Canadians who inhabit it.

We do not need the kind of rhetoric we have heard over the past couple of days on this matter. As my leader said—

**Mr. Ferraro:** We agree on that.

**Mr. Pope:** Now there we have the member for Guelph defending the Minister of Industry, Trade and Technology who says that all these people, these premiers, the Prime Minister and 50 per cent of the people of this country do not care. That is exactly what was said here today. If the Liberal member for Guelph wants to defend that position, let him do so.

**Mr. Ferraro:** On a point of order, Madam Speaker: The member for Cochrane South is absolutely wrong. I did not say that. I wish he would not, in my view, mislead the general public with statements like that. He knows full well I did not say that.

**The Acting Speaker (Miss Roberts):** It is not a point of order. I am sure the honourable member will confine himself to the appropriate statements from now on and will please continue.

**Mr. Pope:** Thank you very much, Madam Speaker.

I think it is important that we take a current view of these matters as this debate continues, not a point of view mired in legal opinions issued before the final text was completed, not a point of view of potential problems that any free trade arrangement with the United States could create before an examination of the detail of the agreement itself, and not a generalized concern about the state of the nation or sovereignty or culture that we have seen.

I think this government and this Premier have an obligation to the people of this province, and certainly to this assembly and to the rest of Canada, to explain in detail their concerns about this agreement, what they would change in it to make it better or what they would do that is

different from an enhanced trading arrangement as it is set forth in this free trade agreement.

Quite frankly, it is now becoming clear that this province is not leading any movement any more that will succeed in frustrating a free trade agreement. It has given up its position of veto power. It abandoned those brave words uttered during the election campaign. It has given up, I believe, its position that it could block implementation of the deal. I think we saw the start of that process yesterday in question period.

I do not think we see a government of Ontario leading on this critical national issue. I think we see a government in full retreat in terms of the legal strategy the Premier set forth to the people of this province on so many occasions over the past two years. We see a political strategy in full retreat in the face of current comments today and yesterday and the day before, after the text of the agreement came out; thoughtful comments by leaders in all elements of Canadian life who believe this trade arrangement is good for Canada, good for Canadians and good for every single region of this country.

When the leader of my party, the member for Sarnia (Mr. Brandt), was speaking yesterday, I recall he indicated that Donald Macdonald was for this trade arrangement and I can recall the Liberal members heckling him and saying: "He has not even read the deal. How can you say he is in favour of it?" Well, as it so happens, yesterday at 10 a.m., before my leader made his comments, the Canadian Alliance for Trade and Job Opportunities had a press conference, and guess what happened? Peter Loughheed, Donald Macdonald and Philippe de Gaspé Beaubien, all having reviewed the text of this agreement, were even more in favour of the detail of it than they were before. It was an even better deal than they had thought initially, and they put themselves on the record.

**1610**

So at the very time that the Liberal members were heckling my leader, in fact he was correct that Donald Macdonald, having examined the text, endorsed the agreement that was reached. So did Peter Loughheed and so have many other representatives of many other important employee and employer groups across this country.

I want to quote from Robert MacIntosh of the Canadian Bankers' Association: "The final document is a tremendous achievement for Canada. Of course, it is not perfect, and some industries, including the banking industry, may have been asked to give more than they received. But on



balance it is good for the Canadian economy and therefore good for the Canadian banks.

"Critics of the deal should tell Canadians what they would do instead. In effect, they are asking Canadians to support them in exposing Canada to the risks of American protectionism without offering any alternative to the free trade deal."

Stan Wilson, Canadian Cattlemen's Association: "The US is already Canada's largest market for food and other agricultural commodities. We have a net trade surplus of \$200 million to \$300 million in beef and cattle alone. This is not only an opportunity to secure that market but is a powerful example to take to the multinational negotiations on the way world trade should be structured."

Jean Bélanger, Canadian Chemical Producers' Association: "The agreement will remove United States tariffs which limit Canadian chemical industry access and expansion into the United States."

Frank Petrie, Canadian Exporters Association: "Canadian exporters are already out there competing with the best in the world, bringing in 30 per cent of Canadian income; it goes without saying that an agreement which we feel safeguards our existing position and improves our access to the US market has to be of benefit for all Canadians involved in export activity."

John Bulloch, Canadian Federation of Independent Business: "A bilateral trading agreement with the United States will provide the type of liberalized, secure trading environment which strengthens the ability of small and medium-sized businesses to continue its vital contribution to the Canadian economy in the future."

Contrast that with the statements of the Minister of Industry, Trade and Technology today in question period.

Norm Hathaway, Ontario College of Art: "It is imperative in my opinion that we ratify this agreement as soon as possible. I see no danger to our cultural heritage. In fact, I see great doors opening for our young artists, designers, writers and all those involved in the creative arts."

Ron Daniel, Canadian Institute of Public Real Estate Companies: "The members of the CIPREC welcome the free trade agreement since it will reinforce and facilitate their real estate development activity in the United States. CIPREC members have one half of their \$50-billion real estate assets in the United States."

Laurent Thibault, Canadian Manufacturers' Association: "The final Canada-United States free trade agreement appears to be fully support-

ive of the CMA's fundamental objective of achieving an internationally competitive manufacturing sector."

Sally Hall, Consumers' Association of Canada: "Barriers to trade are always paid for by consumers, while producers are the main beneficiary of them. Free trade produces choice and competition and gives consumers real power in the marketplace. Signing the deal will provide positive economic gains for Canada; the deal deserves some support from consumers."

Norm Clark, Motor Vehicle Manufacturers' Association: "The Motor Vehicle Manufacturers' Association member companies expect the Canada-United States free trade agreement to further consolidate the automotive industry in each country as an economic keystone, building upon the mutually beneficial experience under the auto pact."

George Miller, Mining Association of Canada: "The Canadian mining industry lives by trade. The free trade agreement will help secure access to our most important market by limiting protectionist harassment. We are convinced that the binational dispute settlement mechanism will introduce real discipline in the trade remedy area."

Al Cormier, Canadian Urban Transit Association: "The Canadian Urban Transit Association views the free trade agreement as an important tool to further liberalize trade in transit equipment and services between the United States and Canada."

Jalynn Bennett, Canadian Life and Health Insurance Association: "The free trade agreement is, on balance, a significant and positive achievement for the Canadian economy. The primary and highly important benefit to the financial services sector is this: secure and improved access to each other's markets over the long term. The Canadian industry and its customers will be well served by the agreement."

Peter Dawes, Canadian Importers Association: "The members of the Canadian Importers Association understand the need to dismantle trade barriers multilaterally, which is why they enthusiastically endorse the Canada-US free trade arrangement as being the first and vital step in making that possible among all nations. This concept has been fully accepted by importers in Canada, even though they may not be importers of US products, as they recognize the value and importance of a strong, more competitive and vibrant economy with more business for everyone resulting from the free trade agreement."



Graeme Hughes, Information Technology Association of Canada: "The point is, the information technology industry in Canada relies on its capability to freely import some products and to export others, particularly to the US market. The Canada-US trade agreement helps secure and improve this vital market."

Malcom Seath, Pharmaceutical Manufacturers' Association of Canada: "Free trade, coupled with the recent amendments to the Patent Act, will enable many pharmaceutical companies to significantly increase research expenditures, capital spending and finished product export from Canada. Canadian plants may well be responsible for total North American requirements for some product lines."

John Herrick, Canadian Chamber of Commerce: "We believe that the negotiation process has produced an agreement which, on balance, will preserve and create jobs and offer tangible long-term benefits to Canadian consumers, investors and business in all regions of our country."

D. M. Adams, Canadian Meat Council: "Our industry has prospered in a close trading relationship with the US and relatively free market access. We do not fear a closer relationship or free access—we welcome it!"

John Macnamara, Algoma Steel Corp.: "For 20 years the Canadian steel industry has lived under the constant threat of US tariffs. Even the smallest protective US measure will result in layoffs in Canada. I am confident the free trade agreement will stabilize the Canadian industry and will be mutually beneficial to both countries."

## 1620

Bill Boggs, Aerospace Industries Association of Canada: "The free trade agreement recently negotiated between Canada and the United States, based on the present free trade experience of our industry, will undoubtedly be beneficial to most sectors of the Canadian economy."

So it goes on and on, but I will end with one last quote from Dennis Abernot, president of local 2251, United Steelworkers of America: "I support the section of the free trade agreement that pertains to the articles covering the steel industry. We in the steel industry are the anchor of Sault Ste. Marie's economy and if protectionism continues in the United States against the Canadian steel industry, we could possibly lose approximately 400 jobs in Sault Ste. Marie."

Industrial leaders and, business representative after business representative, in the last few days, having examined this agreement, have

come on side and so has Frank McKenna, the Liberal Premier of New Brunswick. So now we have a coalition of the federal government, of seven provincial premiers, of virtually every industrial representative and organization in this country openly supporting this free trade agreement, having examined the contents of the document.

Is our Premier leading the charge to a new improved trading relationship with the United States? Is he leading the charge to improve access to the United States market? He is not. He is sitting on the sidelines, with a public agenda versus a private agenda, and allowing the battle to take place over the implementation and the support for this agreement outside of this Legislature.

He does not want a committee to sit until this Legislature has adopted a position on the agreement. He does not want the people to come in and put forward their points of view before the decision has been made here. I say, therefore, he is not leading the debate on this agreement in this country or in this province; nor has he done anything to improve our trading relationship with the United States and access of Canadian products into the US market.

We need economic as well as constitutional leadership in this province. We need leadership that is not just Ontario-based but Canadian-based. We need leadership that is going to reach out to the other provinces, the other regions, the other premiers; to reach out to the federal government which has a mandate of its own; to reach out to the various trade and industrial associations and representatives and, yes, to reach out to the union movement and the representatives of organized labour and take a concrete, specific, positive position.

If the Premier of this province has some concrete, specific ideas about how this agreement can be improved, is it not time we heard those concrete, specific suggestions? Is it not time he tabled a series of specific amendments which he believes are in order to improve this free trade agreement?

We have heard none of that. We have heard no specific proposals for amendments to this agreement and, in fact, this resolution indicates that the government has opted for a course of having this resolution passed, staking out its position and then sitting back and seeing what happens.

My friends should tell that to the bush workers in Hearst, the waferboard workers in Timmins, the iron ore miners in Timiskaming, the gold miners in Kenora and Red Lake and the Algoma



Steel employees in Sault Ste. Marie. They should tell that to the Stelco employees in Hamilton, the beef producers in eastern Ontario and the hog producers in southwestern Ontario. They should tell it to all those who somehow have had their economic lives touched and their economic security undermined by protectionist measures over which they had no remedy and no say.

They should tell it to them, and at the same time they are telling it to them, the government whip, the member for Middlesex (Mr. Reycraft), should read section 1904, paragraph 9. He will find the answer in paragraph 9 to the question he has just posed. It is a binding dispute settlement mechanism. These people who have analysed it say so.

**Mr. Reycraft:** So are the American courts.

**Mr. Pope:** My friend does not understand trade law one whit. He should seek the advice of those who are involved in it, not based on a generalized opinion, on a draft treaty, but on the text of this agreement. Yes, this government has tabled two legal opinions. What were the dates of those legal opinions?

**Mr. Ballinger:** December 17.

**Mr. Pope:** No, it was not December 17, as a matter of fact.

**Mr. Ballinger:** We just wanted to see if you were awake.

**Mr. Pope:** I will tell members what opinions are current: the Fraser and Beatty opinion of December 14 and the Fasken and Calvin opinion of the 14th, both of which undermine and in some aspects contradict or amplify the legal opinion that this government tabled as the final legal opinion before the detail of the trade agreement was even finalized; legal opinions that it has never updated, or if it has updated them, it has never tabled them in this House; legal opinions based on the 35-page draft and not on the detailed text of this agreement.

We saw being made public yesterday two opinions from well-known, respected Toronto law firms which indicate that some of the concerns earlier felt to exist by this government and those who would oppose this deal in fact no longer exist. When we analyse the text of the free trade agreement, many, if not all, of these issues have been resolved, and it is an even better deal than was produced in the original draft that the government sent to its solicitors for an opinion.

If the government members have not made up their minds, if they really want to listen to the debate and if they want to have an informed legal position—because it has been obvious over the

past two days with the speech of the Attorney General and the response of the Premier in here that the government is now just developing an informed legal strategy on this issue—if the government wants to have an informed legal opinion and informed legal strategy, it should kindly update the opinions based on the actual text of the agreement and it should kindly table them in this Legislature so that they can be examined by everyone who has an interest in this matter.

The Fasken and Calvin opinion and the Fraser and Beatty opinion are public documents now and they indicate to the people of this province—and they should indicate to the members of this Legislature—a totally different perception and overview of the benefits and problems of the free trade agreement than we have had produced by this government to date.

I urge members of the Liberal caucus to take the time to read these opinions, because in there they will see, of all things—I say again to the government whip—the legal opinion that the dispute settlement mechanism is binding. They will learn that some of the fears that they spread across this province over the past year are groundless. They will see that some of the doubts they cast by way of the competence of the federal government in negotiating this agreement were baseless.

### 1630

Is it not time to right the record? Is it not time now to admit by a review of the agreement itself and the legal opinions and listening to the opinions of the leaders of this country in various fields that they should review their position and come on board with the majority of Canadians, the majority of premiers, with virtually every single industrial group in this province? Is it not time for a specific, detailed reassessment of this whole matter, a clearing out of all the rhetoric and all the unfounded concerns that they themselves were the authors of for so many months? Is it not time, and do they not have an obligation to the people of this province to clear these things up?

For instance, I recall it being often stated that a free trade arrangement with the United States would destroy our cultural industries. In fact, was it not one of the six conditions? Is that not funny? It seems to me that in paragraph 2005 that matter is dealt with. Maybe we should just turn to it and we will see what it says. This is why I call upon the government to clear away some of the mystique and the rhetoric it has indulged in over the past two years on this issue. One of the things



they were most concerned about was the impact of this agreement on the cultural industries, and here is what it says:

"Cultural industries are exempt from the provisions of this agreement, except as specifically provided in article 401 (tariff elimination), paragraph 4 of article 1607 (divestiture of an indirect acquisition) and articles 2006 and 2007 of this chapter."

A careful analysis of those provisions and those references indicates that to all intents and purposes "cultural industries are exempt from the provisions of this agreement." Yet from the outset, they have maintained the position that this agreement will have a detrimental impact on the cultural industries of this country and of Ontario.

I have not seen the Premier or the Minister of Industry, Trade and Technology stand up in their places and say, "I wish to report to the people of the province of Ontario and to this Legislature that article 2005 does give protection to cultural industries in this country and in this province." I have not heard that out of this government. Does it not have an obligation to update the people of the province on the details, on what the trade agreement actually says and means for all Ontarians? I have not seen that and I regret it because, quite frankly, I think it is irresponsible not to do it.

I think it is irresponsible of this government, and it does nothing to further the perception of the rest of this country of the government of Ontario's position on this matter, that this government will not stand up and clarify these matters and try to eliminate some of the disputes and concerns, to narrow the debate and at the same time give some positive alternatives.

At least the New Democratic Party has put forward some positive alternatives and has indicated in detail the problems it has with this agreement. I have not seen that from this Liberal government of Ontario. Yes, we did have two legal opinions submitted by the government. Of course, Hogan and Hartson was one of them, and now I have the date, for the member who asked for the date of that opinion. The date of that opinion was October 15, well before the text of this trade agreement was finalized, and counter that with the Fasken and Calvin and Fraser and Beatty opinions dated just three days ago.

You will see that the concerns about the legal implications of this agreement and its legal impact on this nation and the industries and businesses and the people of this nation, that issue has evolved but the government's position has not evolved. It is stuck on October 15 and

does not want to move from October 15. It does not want to recognize the reality that this agreement solves many of the concerns that were raised by the Premier of this province and by others across the country over the course of the last two years.

I want to indicate to the members that there are many other issues or aspects of this free trade agreement which I think the government has an obligation to update the people of Ontario on and to update this Legislature on. What exactly went on in those 18 meetings that were held with the co-ordinating committee that was negotiating the details of the free trade agreement with the United States?

Surely the government can find a way to provide the members of this assembly with the documents, the minutes of those meetings, so we can see in fact what private positions the government of Ontario took at various times during these 18 meetings of negotiation of our free trade agreement that the Premier said he did not want and would veto. Surely we have a right to see that information on this most important issue confronting this nation now. Why is there no mechanism available for us to get hold of those documents so we ourselves can examine this matter?

**An hon. member:** In another three months they'll be on your side of this issue.

**Mr. Pope:** That I am not sure of, though I understand what the member is saying. I think I agree with him.

One of the members, speaking on behalf of the Liberal government in this debate—and there have been Liberals speaking on this matter; it has not just been members of our party or just members of the two opposition parties—Liberal government members spoke on this issue yesterday and in fact have continued to introduce some myths that I think have to be clarified.

First, that somehow this free trade agreement is unique because provincial laws are subject to it. Can the same member who made that statement explain it to me. Is it not true that by virtue of countervail provisions, by virtue of congressional trade bills, provincial laws and regulations are impacted? Is it not true that it was the stumpage rates and crown dues charged on softwood lumber that led to a countervail application in the United States in 1985? Is it not true that the government of Ontario, in its letter of September 26, 1986, recognized the problem and offered to increase its levies on the forest products industries?



Is it not true, therefore, that the government of Ontario took a policy position, changed its regulations and its programs because of the impact of United States law, even in the absence of a free trade agreement? Is it not true that the countervail provisions of United States law have always had an impact on provincial law, on Canadian law, on our economic wellbeing, on jobs in different parts of this province and this country? Who is the government kidding?

When we have such a dependence on one market, and in the absence of any efforts by this government to develop multinational trade patterns, when we have that dependence which is a reality of life, domestic law in that jurisdiction will always have an impact. That does not mean the Americans and individual American petitioners who feel there are subsidies in Canada, are out to undermine provincial law or Canadian sovereignty. It means they feel they have been harmed and they want to exercise a constitutional right under their laws to end the harm. In so doing, in this international world that we live in, you impact on other jurisdictions' laws, regulations and programs.

1640

There is nothing new in that. The free trade agreement does not change that. It has always been the case among trading nations. It has been the reality in this world for 200 years that laws in one jurisdiction will affect laws in another if there is any kind of relationship between the two jurisdictions, economic or otherwise. It has always been that way, and a free trade agreement does nothing to diminish or increase that.

If they say it does, where is their proof? We have not seen it yet. That is just one of the myths that has been perpetuated in this assembly by the Liberal government members in this debate.

The other myth is that the provinces do not have access to US courts. Of course they do. Any interest has standing in any trade dispute. It always has been and always will be a recognition in any jurisdiction that those affected by a ruling have standing vis-à-vis the countervail discussions or findings of the International Trade Commission or the Secretary of Commerce's final determination or court applications.

If provincial governments do not have access to US courts, what was the Minister of the Environment (Mr. Bradley) doing in New York state last year? I do not accept that concept that was put forward yesterday by a Liberal spokesman in this debate.

I want to indicate also that there has been other discussion about alternatives. I say to those who

say there are better alternatives, produce them in the same concrete, specific form as this trade agreement that is before us. Yes, I will admit that the New Democratic Party has produced some specific alternatives on a commodity-by-commodity, industry-by-industry basis, but this government that wishes us to reject this agreement has not.

It has a civil service. It has the expertise within its employees to develop and present to this assembly a specific concrete alternative. We await, during the course of this debate, this government standing up and tabling that kind of concrete, specific alternative in the same kind of detail that the free trade agreement has been developed in, with the participation of this government of Ontario.

The other myth is that somehow we are operating only on the Americans' timetable. My friends, we are the ones, in this country, who have been and continue to be detrimentally affected by congressional trade bills. We are the ones who are affected by quotas, by countervail and by other nontariff barriers.

Ask the potash producers. Ask the iron ore miners. Ask the softwood lumber companies and workers. Ask the copper and zinc miners. Ask the flower producers. Ask the hog producers. Ask the beef and cattle producers whether they have not been impacted detrimentally when there has not been some economic loss, some job loss, some devastation of one-industry communities across this province because of these trade matters.

Therefore, is it not our timetable? Is it not our timetable to bring all that to an end and have some dispute settlement mechanism and some arrangement that will give us better, less impeded access to the American market?

Is it not in the interests of the people of Hearst and of Kapuskasing, with its pulp and paper mill? Is it not in the interests of Cochrane, with its sawmill? Is it not in the interests of the people of Timmins, with their waferboard plant, their three sawmills, their gold mines, their copper and zinc mines? Is it not in the interests of the people of Hornepayne, of Manitouwadge, of Terrace Bay, of Thunder Bay, of Red Lake, of Kenora, of Dryden? Is it not to the benefit of the people of Owen Sound and Bruce county? Is it not to the benefit of the people of the Niagara region who are involved in the cut flower industry? Is it not to the benefit of the cattle producers of eastern Ontario?

Is it not their timetable to immediately resolve these issues that have so dramatically, and in some cases tragically, affected them?



We saw what happened with the softwood lumber issue. We saw the Minister of Industry, Trade and Technology of the day get to his feet and say 500 jobs would be lost in northern Ontario. That was the government's estimate, not mine. There would be 500 jobs lost in northern Ontario, let alone the jobs lost in eastern Ontario in Renfrew county because of the softwood lumber issue. Is it not in their best interests? Is it not their timetable to resolve these problems? I say it is.

To those who say our real choice is between bilateral trading arrangements versus multinational trading relationships, I say there is no such option. Do you end all exports to the United States so you can develop export products which will allow you to supply multinational trading partners? Who will pay for the dislocation? Who will pay for the job losses?

Of course, multinational trading relationships are preferable, but you do not end any bilateral trading relationship if it is to the benefit of your workers and your economy. You carry on and try and augment it. You try and diversify it by getting other commitments and access to other markets. That should be the obligation, keeping the bilateral trading relationship strong, improving the climate so that even more goods and more economic benefits can flow, and at the same time developing the other relationships.

The other myth, I find, is a statement made yesterday that the United States will always need our resources. Those who believe that should go to Louisiana, South Carolina and North Carolina and see the forestry programs now under way in those states. They should walk among the stands of 30-foot and 40-foot pine grown in 15 and 20 years when it takes us 120. They should go and see the road access into those stands close to mills, when our producers must travel tens and sometimes hundreds of miles to go out and harvest the timber and get it back to the mill.

They should look at the proximity of those producing industries in the resource sector to the major markets in the United States, when we have to travel thousands of miles by rail and truck to get that access. They should ask themselves, "Can we really depend for ever on the United States as our only source of resource exports?" Of course, we cannot. No one who supports this agreement would ever say that. Nor should we assume the Americans will always say, whatever the conditions may be, however arbitrary or nationalistic, "We will do whatever Canada tells us because we need its resources." That is not always going to be the case.

Ask the iron ore miners of this province what happened when pressure was put on the steel producers of this province. Ask them about the sourcing of iron ore from outside the province and the problems the member for Hamilton East (Mr. Mackenzie) and others in this assembly had with those kinds of issues.

There are mineral and forest product resources in the United States that are being developed and have as much potential as our own resource products. We still have to compete. We still have to have improved access. We still have to prevent the economic interests in the United States from bringing countervail application after countervail application and congressional bill after congressional bill, trying to keep us out.

That is the real need of the resource sector of this province, as I see it, and of this country. It is the same for agricultural products. I would be the last to say there are not some commodities we have some concerns about. Of course, we do. What we have to have is a review, commodity by commodity, of those who benefit and those who do not, and decide what we are going to do to help those who do not.

#### 1650

How can we improve the trading relationship within or outside of the context of this trading agreement? Surely we have an obligation to all commodity producers in this province to do that kind of detailed examination, to table that kind of detailed study. The Canadian Cattlemen's Association supports the deal, and I believe the beef producers do. The hog producers do too, with all the problems they have had with access to the American market through nontariff barriers and tariff barriers. Certainly the people involved in the flower industry want this agreement because of their dependency on an American market.

But there are others who have some genuine concerns. Part of those concerns were addressed in the agreement itself. In spite of the fears and the general concerns, marketing boards and marketing mechanisms are protected. They are allowed to continue. What we have to do, therefore, is have a realistic and detailed debate in this assembly with the Minister of Agriculture and Food (Mr. Riddell) participating and putting all this detailed information on the record.

We must not presume that we can do whatever we want unilaterally because the Americans will always want our product and will always need our resources. Instead, we must make sure that we always have access to the American market, that we always have the ability to compete fairly on equal terms. I have confidence in the ability of



the working people of this province, in their productivity, their ingenuity and their hard work. We will always compete. In spite of our geographical limitations, in spite of our distances from market, in spite of a number of other issues that uniquely confront us as Canadians, I have confidence that we will always compete.

One of the other myths, as I call them, which this government has to share some responsibility for and which the Premier made one of the six conditions, was a concern about energy. I want to refer the members of this House to an analysis done in yesterday's London Free Press. I know the Premier will be reading it this weekend. The London Free Press headline is, "Energy Sections of Trade Deal Not as Harmful to Canada as Claimed." The article by Carol Goar says:

"Continental energy market. It is a troubling phrase. Of all the provisions in the free trade deal that Canada and the United States are proposing, the energy section is the most unsettling. It is also the most widely misunderstood.

"That is why it is such a relief to have the legal text of the agreement at last. Now we can clear away the rhetoric and the conjecture and find out what it really means to have a free flow of energy across the US border.

"But first, it may be necessary to correct some false impressions." Now, I wonder who left those?

I refer you to those first three paragraphs and I will get on to the rest of it, Mr. Speaker, because this writer clearly indicates that, now that we have the text of the agreement, it is time to put aside the rhetoric and the conjecture and examine the detail of the agreement itself. Her conclusion is that it is now necessary to correct some false impressions of what the impact of this agreement is on the energy needs and supplies of Canada now and in the future.

I want to preface this part of my address by saying I believe when the Premier of this province is talking about energy, he is really discussing gas and oil, natural gas and oil products, much of which is exported from western Canada. It is interesting to note that, in an area I believe the Premier would say is exclusively within provincial jurisdiction, even though we no longer have a national energy program, and a matter of natural resources, clearly within the provincial jurisdiction, oil and natural gas, the Premier is representing the producing provinces—not that Ontario is not a producing province—but the major producing provinces of this country endorse the free trade agreement. It is their resource under provincial

jurisdiction. They have responsibilities and obligations to the people of their province to develop resource policies for oil and natural gas, and they favour this agreement.

We in Ontario are talking about their resource. We are talking about oil and natural gas from Saskatchewan, which is within the provisions and within the jurisdiction of the government of Saskatchewan under the Constitution, and oil and natural gas in Alberta, which is within the jurisdiction of the government of Alberta under the Constitution. They support this trade agreement because they want access to the American market for their resource products.

In that context, therefore, let us continue with the discussion on the energy sections of the trade deal:

"Press reports for the past two months have speculated, in the absence of any solid information, that a continental energy market would mean Canada would have to open its energy storehouse to the United States. Even in times of short supply, it was suggested, the US would have guaranteed access to Canadian energy supplies. It is not quite that simple or that sinister.

"First, Canada is under no obligation to supply energy to the United States. Private energy producers can sell to whomever they want. Presumably, many will take advantage of the impediment-free access to the United States market envisaged in the deal, and this will increase the cross-border flow of oil, gas and hydro sales."

By the way, I believe that is one of the main reasons Premier Bourassa, the Liberal Premier of Quebec, supports this deal. He understands that it will lead to an increase of cross-border flow of oil, gas and hydro sales to the United States market.

"But the agreement does not create a continental energy market. It lifts the restrictions that were preventing one from developing.

"Secondly, the Canadian government is not guaranteeing the Americans access to our energy supplies. It is allowing them into the market on the same footing as Canadian buyers.

"Finally, Ottawa is not giving up all of its control over Canadian energy supplies. The federal government still has the right to limit energy consumption for reasons of conservation, domestic price stability or short supply."

So the wholesale sellout is not there, and any analysis of the trade agreement would lead to those conclusions. Maybe it is time the Liberal government of this province provided a detailed



analysis of this agreement and its impact on the energy industry of this country instead of the rhetoric we have had over the past two years.

I would also like to turn to another myth with respect to the auto pact. Again, the leader of my party in question period today developed the argument with respect to this issue. Yes, the Premier of this province and the Minister of Industry, Trade and Technology may feel they have more expertise than the presidents of Chrysler Canada Ltd., Ford Motor Co. of Canada Ltd. and General Motors of Canada Ltd. on matters involving automotive manufacturing and assembly in this country. They may feel they have more expertise than these individuals or those in their corporate organizations, but somehow I doubt it. Therefore, I do attach some credibility to their statement that in fact the auto pact is stronger now as a result of this agreement.

Now, Liberals may disagree because they have invested so much time perpetuating the myth that the auto pact would be devastated by the free trade agreement. As I say, the Premier may feel he has more expertise than these gentlemen, but somehow I doubt it. So even on the auto pact issue, the evidence is becoming clearer and clearer that it is not the wholesale gutting or devastation of the auto pact that we were led to believe.

I say to the Minister of Industry, Trade and Technology: If he wishes to adopt a position based on a future auto industry which has parts made abroad, not by Canadians, brought into this country and assembled and put on the Canadian market, in my respectful opinion that too is not the only element of the auto industry in this country that we should be looking to or protecting.

**1700**

My interest, and the interest of our party, is in having the manufacturing and assembly of automotive parts and automobiles in this province and in this country with Canadian labour because we think they are the best in the world. We think they can compete and we think they can compete under this auto pact, under the previous auto pact and under any new, revised arrangement with the United States or with any other country. We think they have the experience and the ability to produce a superior product at a competitive price. We are not afraid of the challenge and we think the auto workers of this province can compete and will compete in the future.

I wanted to mention briefly to the Premier that when he went to Sudbury and indicated that the

free trade agreement had nothing in it for the north, he showed a profound lack of understanding of the past history of the problems of the resource sector in getting access to the American market. He showed a profound ignorance of the unemployment problems of the Sudbury region, which he claims he can do nothing about. He showed that he did not understand the problems of the bush workers in Hornepayne who have been laid off as a result of the softwood lumber duty, export tax. He showed that he did not understand the problems of communities like Thunder Bay and their desire to get access to the American market. He showed he did not understand the mood or the challenges of the people of northern Ontario.

I think, on reflection, the Premier must state, as most Ontarians and most northerners know, that on balance, this deal is good for northern Ontario and for the resource sector. He must state that, because I believe it to be the case.

**Mr. D. S. Cooke:** Is that why he should say it?

**Mr. Pope:** No. Because I also believe it is true; and most northerners feel it is true, by the way. Even the United Steelworkers of America in Sault Ste. Marie believe it is true with respect to their industry.

**Mr. Mackenzie:** Some of them.

**Mr. Pope:** Yes, including their spokesman. So I say to the Premier that I do not believe that the north or those to whom he looks for advice in the north are of the same opinion as he is with respect to the impact of this agreement on northern Ontario.

I want to start with someone whom the Premier asked to do a special report on the economic problems of northern Ontario. It is Dean Rosehart, president of Lakehead University. Remember that name? Dean Rosehart. Those who were here from 1985 to 1987 will remember that name. He was one of the key advisers to the Premier in the developing of new strategies for this government in northern Ontario. Guess what Robert Rosehart says about the free trade agreement: It is good for northern Ontario. A direct contradiction to the Premier. It is good for the people of northern Ontario.

I want to quote from, I think, a very good publication in northern Ontario and one that is now widely read. It is called Northern Ontario Business. I have to say by way of background to Lord Fleet of Swansea that this publication has been rather generous to the Liberal Party of Ontario. It was willing to give this Premier and this government the benefit of the doubt. In fact, the results showed on September 10 that people



wanted to support this government in northern Ontario. Fortunately, I was not part of all of that, but I have to admit that it is true. The member for Mississauga West (Mr. Mahoney) is worried about this.

I want to quote from an article in this eminent journal in northern Ontario that the Minister of Natural Resources (Mr. Kerrio) regularly advertises himself in. This is the editorial page of Northern Ontario Business, and for all those who want to get it for themselves, I would urge them to get it because it does give a good overview of economic activity and economic issues in northern Ontario.

The editorial page in the edition of November 1987 says this: "Premier Lets Us Down on Trade."

"Premier David Peterson is doing us a disservice this month.

His wishy-washy response to the Canada-US free trade pact is a regression to the typical Canadian reaction to these things. As in the past, we are to be so irrationally afraid of the Americans that we cannot think clearly or well about our roles in the real world of today.

"Faced with a choice of firmly opposing the accord or embracing its possibilities, Peterson chose to do neither. He has been lukewarm about the negotiations since the beginning, neither supporting them actively nor seeking to halt them. Now that we have an accord of sorts in hand, he has said he opposes it. At the same time, he is unwilling to go about the country giving the rest of us the benefit of his inside knowledge about the Ontario economy.

He is neither cleanly for it or against it. Presumably, he will simply sit on it—sullen and recalcitrant—until it dies an unnatural death.

"Peterson's squeamishness has angered opponents of the free trade deal and disappointed those who see it as vital to this country's trading future. He has pleased no one. Worse, he has contradicted the very values that Ontario residents—particularly northerners—have come to associate with both the man and his government. His stand makes a mockery of the economic challenge he has thrown to us in northern Ontario. It lacks any of the courage he has expressed on other occasions. It undermines his oft repeated arguments that Ontario can compete as a world-class province on the global economic stage. It is a close-faced, stubborn, backward-looking response from a province that has come to pride itself on its openness, its resilience and its willingness to embrace the future.

"Later this month, Premier David Peterson or one of his senior ministers will be in Thunder Bay at what used to be called the premier's conference. He or his representative will urge us northerners to become more entrepreneurial, to break out of the shell of dependency and create our own future. He'll challenge us to take risks, to dare to be better than we have ever been in the past. He'll tell us, truthfully, that we must look within ourselves for growth and that we must have faith in our own ability to compete on this new world business stage.

"We will agree, of course, and applaud. Then we will try to live up to his vision of us.

Sadly, for all of us in this province, the Premier's shining vision—as necessary and as true as it is—will lack a core. By embracing the comfortable old Canadian cocoon of fear and distrust, Premier Peterson has shown he hasn't heeded his own words.

He has taken refuge from the challenge and turned his back on the future. The province's entrepreneurial spirit has been diminished as a result."

In my readings over the past number of weeks, I think that sums up the kind of feeling I have heard from northerners with respect to the performance of this Premier and this government on a very vital issue. Yes, those in this assembly can sit comfortably, stick with the status quo, attempt to bicker with the Americans for some amendment of a US law. Yes, we can try and take our challenges and our problems to the US courts, but when we do so from this comfortable chamber in this great municipality with a low unemployment rate, let us remember that we are talking for the unemployed bushworkers, the miners and the pulp and paper workers in northern Ontario whose future is most at stake as we sit in comfort down here and make these decisions that dramatically and directly affect their lives.

#### 1710

They may be smug and think it is just a theoretical issue, but in many parts of this province its impact is direct and dramatic. It means the loss of a job. It means no income for a family. A Liberal member can sit there and smile, but with his performance and his government's performance on softwood lumber, that is exactly what happened to the bushworkers of northern Ontario. They did not hire a single one of them through a single provincial government program. The Liberals sat down here in their smugness while 500 people were out of work, while 500 families had no economic support and



they did not give one of them a job through any provincial job creation program. They sit there smugly as the north and the resource sector are exposed, first and foremost, because of their dependence on the US market.

The fact of the matter is that it is the northerners, the people in the resource industries, the farmers, the people of eastern Ontario, and yes, the auto workers at General Motors, Chrysler and Ford who the Minister of Industry, Trade and Technology thinks are not as important as the Asian manufacturers, who suffer the consequences of our abstract debate and theoretical discussions in this chamber. It is the people in the resource-dependent regions that get it first.

Even the Premier of this province said so when he spoke on March 31 of this year to the Ontario Mining Association. He said: "The status quo, I know, is intolerable. I know it is the resource sector that gets hit first. I know it is the resource sector that is the primary target of US protectionism."

Noble words. What did he do about it? What has he done about it? There is a free trade agreement. It will help to resolve these matters. If he does not think it is any good, what is he going to propose to protect those jobs, those families and those communities across this province? Where is it? Where is a positive solution, not a negative resolution. Where is the positive solution to address the human and economic problems the people of this province face, because they are by essence and Canadians are by essence an exporting nation.

That will not change because the Premier wills it. That will not change because a union leader thinks it is wrong. We are an exporting nation; that is our history. We depend on access to markets. Canadian after Canadian and province after province will feel the brunt if we fail to secure that access, if we fail to improve the trading relationship with our most important partner.

My friends, these issues are not theoretical. They are not abstract. They deal with my constituents. They deal with the constituents of my friend from Windsor. They deal with the constituents in this great Metropolitan Toronto region because here the head offices of the resource companies are located. Here thousands upon thousands of Torontonians get their jobs and their economic livelihood as a result of the resource sector. Here new technology is developed for the resource industries, and in Sudbury and in many other centres in this province. Here research facilities are manned. Here we train the

technicians in colleges and universities who depend for their livelihood on the health and expansion of the resource sector of this country. It does not involve just a bushworker in Hearst; it involves every single Ontarian.

If one bushworker in Hearst loses his job, we are all the lesser for it. Ultimately, we all will suffer economically because of it. Yet this government, when it faced the significant challenge with respect to softwood lumber, had a public agenda and a private one. There was an increase of \$30 million in charges and levies on the forest products industry which exactly matched the allocation given to Ontario to resolve the softwood lumber dispute. It was not an accidental figure. It matched it exactly.

Then we had the Premier in January of this year announcing in Sudbury that the \$30 million they had agreed to levy would be used to train laid-off resource workers who were in tough economic times, who did not have a job because of the softwood lumber matter. Four months later, he reannounced the same \$30 million for a northern Ontario heritage fund and dropped his plan to help those laid-off workers—four months later.

Were we to have a debate on interim supply, I say to the government House leader (Mr. Conway), my first question would be: If they are so concerned about the resource sector, how are they protecting it from US protectionism? If they are so concerned about the people of northern Ontario, they should transfer that \$30 million out of the general revenue fund to a special bank account in northern Ontario where it can be accessed as it should be. They should set the guidelines for a northern Ontario heritage fund and actually disburse their first dollar out of it.

If they are really concerned about these economic issues, they should take some concrete measures and not sit down here in a cocoon and think that because there are trade problems in northern Ontario, they can be dealt with by some negotiation in Washington and that will be the end of their obligation to the people and the families that are affected. It is not so, and my leader would say it is not so.

I also want to indicate I am not satisfied with the detail of the studies or their justification, because I think they are more justification than studies, quite frankly. I want to express my concern with the justification and the detail of the justification, or I should say the lack of it, with respect to the province's position on this matter. We have seen an examination of the sectoral and regional sensitivity of Ontario manufacturing



industries to tariff reductions. That has been one study. We have seen a document called The Free Trade Agreement and Women. That is another document.

My friends, if that is the evidence they rely upon to vote against this free trade agreement, and if they relied on two-month-old legal opinions before the text was even finalized, I say they are not doing their duty to the people of this province. There is an obligation on a sector-by-sector, commodity-by-commodity, region-by-region basis to provide the detailed information to convince the people of this province and this House that we should reject the deal and there is an obligation to provide the alternative and tell us how it would be put in place through negotiation.

So I call upon the Liberal members in their caucus meeting next week and the week after to discuss this matter with the Premier and those in authority in the executive council of this government, to ask them to table more precise information and to ask them to make available to us as members of this assembly and the people of Ontario the kind of detailed information we need.

All we can rely upon in the absence of that information are the opinions of those who have expertise in their own fields of economic endeavour, who have expertise in their own businesses, who speak for their trade associations and industrial groups and who are almost unanimously in favour of this free trade agreement. I say "almost" because I realize that the Ontario Federation of Agriculture and some agricultural commodity groupings are not in support for very specific reasons.

But in the absence of the kind of detailed analysis that is needed, I think we have to rely upon the opinions of those who know, those who are carrying on business, those who are in the export market. I say on the basis of all the information available, all the opinions that I have read into the record, that it is clear a vast majority of those spokesmen think this is the preferable course of action.

**1720**

I want to call upon this government to remove the myths, to give us the detailed reasons why they still have some concern about our loss of control over our energy resources; give us detailed reasons as to why they still think the auto pact has been gutted; give us detailed reasons about how this agreement erodes our sovereignty any more than any trading relationship or any exporting dependency erodes sovereignty; give us detailed information about how our cultural industries are still at risk. I noted today that the

Minister of Culture and Communications (Ms. Munro) started the first step in a retreat away from that argument.

If the six conditions are still there, how are they still there? What detail in the text of this agreement indicates that those concerns have not been resolved? If they have been resolved, admit it now before the vote. Do not start a slow process, the way the Minister of Culture and Communications did today, and say, "Really it is dealt with, but we still have perhaps some lingering concerns," or "We do not know what is going to happen if it all works out." That is not an adequate answer when there are many others out there who need this kind of arrangement to secure an economic future for themselves.

My region of the province was established some 75 years ago to process resources, to export them to foreign markets. That is its *raison d'être*. That was why northeastern Ontario was developed.

Today, yes, we are a changed economic society. We have modern transportation systems and we have centralization of transportation services and facilities in northeastern Ontario. We have much improvement by way of communications systems, telephone systems, many secondary industries now established, many service industries and governmental agencies and services now established. Things have changed for the better, and all members of this assembly, of this government and of previous governments have had a role to play in making things better. But there is still a basic economic need that all Ontarians have, and that is to continue to reinforce the base of our economy, to continue to secure market access.

We have seen this Premier, with respect to this agreement in the last two years, go through almost a complete about-face from veto, refusal to implement, to the beginnings of implementation under the guise of the General Agreement on Tariffs and Trade with respect to domestic wines, to opening up and doing the same thing by unilateral government action with respect to the securities industry in this province. We have seen a step-by-step approach, or *étapisme*, to this complex matter. It may be the strategy of the Premier to go step by step, commodity by commodity, business by business, but if so, say so and indicate to the people of the province what we can expect in the future.

One of the very important newspapers in northern Ontario is the North Bay Nugget. It has quoted—and I notice that other members of the assembly have this document—"North Gets No-



thing from Free Trade Agreement: Peterson.” That was the article I was referring to earlier. A North Bay Nugget editorial of December 9 of this year had a very good analysis of it:

“One thing is sure about the free trade deal: Very few Canadians will ever completely understand it. It is reputed to comprise 1,000 pages, which, if single spaced, means half a million words. It will be as incomprehensible as the income tax regulations, which not many accountants admit to understanding. But Canadians owe it to themselves not to panic.

“They should at least look at it from an American perspective before assuming the Americans are trying to destroy this nation. The Americans see the wine industry, Bob White and the auto workers, John Turner, Ed Broadbent and a host of others all hammering at free trade. For every Canadian who is worried, upset or angry, there is sure to be an American. And the American negotiators have to consider their own backyard, just as much as do the Canadians.

“This agreement covers billions of dollars in trade. Canadians don’t panic when great commercial companies spend months, even years, in long, painful negotiations before agreeing to a new commercial relationship. Canadians have to look at this agreement as best they can. They have to hope that the provincial premiers will be cautious and pragmatic and do the best for Canada.

“Above all else, Canadians have to retain an open mind. It may be the best thing since sliced bread or the worst, but it is too important for emotion or prejudice. There is only one question: Taking everything into consideration, is it a good deal for Canada or not?”

I urge my friends in the governing party, the Liberal Party of Ontario, to approach this issue and this process that we embarked on starting on Tuesday of this week with caution and pragmatism, allowing for all to have their say prior to taking a decision on this matter.

This debate need not be going on now. There were other options for this government to pursue. There was a clear understanding that this matter would be discussed in committee and a clear understanding that some decisions would be made there, after all the evidence is heard, and reported back to this House; and that then, after thoughtful debate on the committee report, a final vote on a resolution position would be taken.

I say, what is the hurry? What is the hidden timetable? Was it the fact that the Premier wanted this resolution today to slap on the table at the

first ministers’ meeting? Is it that he wants it by January 2 to throw on the table as the deal is being signed? And is that in the national interest? Does that help the process of nation building and conciliation?

What is the agenda? What is the time frame and why? Surely the Liberal government has an obligation to explain that, not only to us in this House but also to the people of Ontario.

I wanted to go on to the next topic, and that is whether or not the tribunal, or the dispute-resolving mechanism, is as it has been projected to be over the past few months. I want to refer members to article 1904 of the agreement, if members have their books. It is on page 273. When members are examining article 1904—

**Mr. Black:** Oh, you’re going to read the whole thing.

**Mr. Pope:** The member wants me to read the whole thing because he does not have his book. OK. Point one, for the member who wants me to read it into the record because he does not have his book here—he should have it here when this debate is going on; he should have the text of the agreement here if he is going to debate this matter.

**Mr. Wiseman:** They’re not interested.

**Mr. Pope:** OK, but for his benefit, paragraph 1 says:

“As provided in this article, the parties shall replace judicial review of final antidumping and countervailing duty determinations with binational panel review.”

The old system under countervail, under antidumping law, was a process entirely within the control of the American Department of Commerce, the International Trade Commission in the United States and, if need be, the federal courts of the United States. That is now being replaced with a binational panel, which will review final antidumping and countervailing duty determinations.

**1730**

Paragraph 2 says:

“Either party may request that a panel review, based upon the administrative record, a final antidumping or countervailing duty determination of a competent investigating authority of either party to determine whether such determination was in accordance with the antidumping or countervailing duty law of the importing party.”

I think the next sentence is particularly important. I want to read it into the record because it is not the same as the interpretation



that was given by the mayor of Sault Ste. Marie yesterday.

"For this purpose, the antidumping or countervailing duty law consists of the relevant statutes"—yes, that is true—"legislative history, regulations, administrative practice and judicial precedents to the extent that a court of the importing party would rely on such materials in reviewing a final determination of the competent investigating authority. Solely for purposes of the panel review provided for in this article, the antidumping and countervailing duty statutes of the parties, as those statutes may be amended from time to time, are incorporated into this agreement."

The understanding that many now have, having examined the wording of this agreement, is that it is not just the laws of the United States or Canada that are relevant, but also precedent, administrative processes and criteria on decision making.

I want to give an example, because I think that is an important and significant issue. It is not just the United States countervail laws or trade laws that are applicable; it is also the principles, the criteria and the regulations.

Where it would have made a difference, to give one example only, is with respect to—maybe I will give two examples. Anyway, the first one is with respect to softwood lumber. If the Minister of Natural Resources (Mr. Kerrio) were here he might correct me, but my understanding of this, having been through this once before in another incarnation as Minister of Natural Resources in 1983, is that the Americans, in their last countervail application involving Ontario softwood lumber, determined that there was a subsidy—I think maybe even the Speaker will correct me if I am wrong—being given by the provincial governments vis-à-vis crown dues and stumpage charges, and because of that subsidy there was harm. There was economic benefit to the Canadian producer and that resulted in harm to the American producer. Because the American producer could prove harm, he was able to proceed to the next stage of the countervail application.

The investigation that took place at the International Trade Commission was flawed. I believe that was the position of the government of Ontario in its legal submission in Washington. It was flawed because the only comparison to crown dues and stumpage charges in this jurisdiction was a private land sale in New Brunswick.

What I am saying is that I believe that kind of determination, that comparison of New Brunswick private-land-sale timber with crown, dues-for-Ontario-crown timber, which we objected to as being inherently foolish and really not in accordance with any known procedures or principles of economic calculation or determination on trade matters, would not be allowed. That would be precisely one of the matters that the binational panel would have the ability to review.

**Mr. Reycraft:** They'd be struck down by the courts.

**Mr. Pope:** I want to talk about that, because the government whip is saying it would be struck down. This is an important issue. The government whip is quite right; this is one of the concerns that the Premier and his government enunciated over the past two years, that somehow the binational panel finding would be nonbinding, that somehow it could be reviewed in a court of law and struck down, that court of law could be in Washington, DC, or in some other American jurisdiction and that therefore we had no protection from the extraterritorial application of United States law to Canadians and Canadian products.

Paragraph 9 of the same article, 1904, indicates:

"The decision of a panel under this article shall be binding on the parties with respect to the particular matter between the parties that is before the panel."

Now it is binding; it is binding on both nations. This is where these legal opinions are very important. I am going to table the legal opinions because they are very important. This is where the legal opinions come into play, because it now is binding; it now has the force of law it did not have or was suspected not to have before the final text was negotiated.

I know that the Minister of Industry, Trade and Technology agrees with me on that and that he agrees with Fasken and Calvin and Fraser and Beatty in their opinions dated December 14 which were tabled yesterday.

**Hon. Mr. Kwinter:** No, I don't.

**Mr. Pope:** He is shaking his head that he does not. I want to say to the minister, I respect that. Will he kindly table the documentation, other than the October 14 Hogan opinion that was not based on this text, the additional legal opinions he has to support that position. I think we have a right to see them and he has an obligation to produce them. If he disagrees with Fasken and Calvin's opinion and Fraser and Beatty's opinion, he should table the documents now. That



will become part of this debate. We will have time to examine these documents and opinions. We will have time to deal with these kinds of issues.

I want to continue on because I know my friend does not have the text there. I want to go to paragraph 3:

"The panel shall apply the standard of review described in article 1911 and the general legal principles that a court of the importing party otherwise would apply to a review of a determination of the competent investigating authority."

In other words, the antidumping or review panel has the same context as a court of law.

Paragraph 4:

"A request for a panel shall be made in writing to the other party within 30 days following the date of publication of the final determination in question in the Federal Register or the Canada Gazette. In the case of final determinations that are not published in the Federal Register or the Canada Gazette, the importing party shall immediately notify the other party of such final determination where it involves a good from the other party, and the other party may request a panel within 30 days of receipt of such notice."

Now not only do we have a binational panel process, and not only do we have what would be called, I guess, a quasi-judicial process, but we now also have notice provisions, not only with respect to final determinations that are listed in the Federal Register or the Canada Gazette but also in any other final determination.

"Where the competent investigating authority of the importing party has imposed provisional measures in an investigation, the other party may provide notice of its intention to request a panel under this article, and the parties shall begin to establish a panel at that time. Failure to request a panel within the time specified in this paragraph shall preclude review by a panel."

The process has to be expeditious in terms of giving notice and it has to be expeditious in terms of starting the panel process.

Paragraph 5:

"Either party on its own initiative may request review of a final determination by a panel and shall, upon request of a person who would otherwise be entitled under the law of the importing party to commence domestic procedures for judicial review of a final determination, request such review."

What that does is embody the right of every individual Canadian and every individual American to request, when he is affected by these trade matters, to request that his nation act on his

behalf. I respectfully believe that includes provinces, so I do think the provinces have a status and a role they did not have before.

"The panel shall conduct its review in accordance with the procedures established by the parties pursuant to paragraph 14. Where both parties request a panel to review a final determination, a single panel shall review that determination."

1740

Paragraph 7: "The competent investigating authority"—

Interjection.

**Mr. Pope:** Thank you very much, Mr. Speaker. I appreciated your guidance on that.

"The competent investigating authority that issued the final determination in question shall have the right to appear and be represented by counsel before the panel. Each party shall provide that other persons who, pursuant to the law of the importing party, otherwise would have had standing to appear and be represented in a domestic judicial review proceeding concerning the determination of the competent investigating authority, shall have the right to appear and be represented by counsel before the panel."

Not only are the two nations involved in this binational panel, not only does each individual economic interest or each individual or corporate entity have the right to request a binational panel, but even if they did not request this panel, they also have a right to be present, to be represented by counsel; to have standing in the processes of the binational panel.

Paragraph 8:

"The panel may uphold a final determination, or remand it for action not inconsistent with the panel's decision. Where the panel remands a final determination, the panel shall establish as brief a time as is reasonable for compliance with the remand, taking into account the complexity of the facts and legal issues involved and the nature of the panel's decision. In no event shall the time permitted for compliance with a remand exceed an amount of time equal to the maximum amount of time (counted from the date of the filing of a petition, complaint or application) permitted by statute for the competent investigating authority in question to make a final determination in an investigation. If review of the action taken by the competent investigating authority on remand is needed, such review shall be before the same panel, which shall issue a final decision within 90 days of the date on which such remand action is submitted to it."



Then paragraph 9 fits into this context, and it is the most important paragraph of this article:

“The decision of a panel under this article shall be binding on the parties with respect to the particular matter between the parties that is before the panel.”

It is binding. I believe, subject to other legal interpretations, that answers the concerns I heard in this assembly—

Interjection.

**Mr. Pope:** Fasken and Calvin and Fraser and Beatty disagree. They indicate—

**Hon. Mr. Kwinter:** Blake, Cassels disagrees with that.

**Mr. Pope:** Blake, Cassels has not done a review of this agreement, and if it has, why has the minister not tabled it?

**Hon. Mr. Kwinter:** Just because you haven’t seen it, that doesn’t mean—

**Mr. Harris:** You have more secret information. That’s exactly the problem around here.

**Mr. Pope:** The Minister of Industry, Trade and Technology has now admitted he has a legal opinion that analyses this text in his possession which he has not provided to this assembly, and yet he wants us to vote for or against this resolution on the basis of two legal opinions—the only ones he has given to us—dated October 14.

I say to the minister, in a kind way, he has an obligation to put it all on the table; he has to put it all on the table. This is an important issue. He has made it an important issue. It was the issue he ran the election campaign on. It is going to affect Ontario, according to his own words, for decades. He has an obligation to provide all the information he has.

I understand his reluctance. He had an obligation not to disclose the minutes or the documents from those 18 co-ordinating committee meetings. I understand that. He explained it very well in estimates. But if he has other documents, surely he has an obligation to put them on the table. Let us review them.

I say that because, before the minister came in, I indicated that I would table the Fasken and Calvin and Fraser and Beatty opinions, which I presume the minister has seen. I think all members have the right to see that kind of information when they are trying to make up their minds, because there are two very different legal interpretations floating around. Somehow, we have to have the ability to assess them. Those legal interpretations perhaps form the basis of some of the opinions that are being expressed by

representatives of various groups and organizations in this province.

We have to have some information and an informed debate on this. It cannot just be an emotional reaction to a resolution, not when we are dealing with something of this magnitude. That has been our problem with this whole rush to get the resolution through before we had time to see all of the documents.

That is why we went to the estimates of his ministry last week. In the estimates, the member for Carleton (Mr. Sterling) asked on a number of occasions and in a number of different ways about the kinds of information the minister had available, and so did I, because we need to get it all out there and we need to examine it all.

Before the minister came in, I was reading expressions of opinion from about 20 to 25 industrial leaders or representatives in this province who in the last two days have expressed their opinions on this matter. I think it is important when we make a decision that we have all that information, and I really regret that the government has not provided it.

In fact, I can say to the minister that we did not know he had these additional opinions until he indicated them to us here tonight. Had we adhered to the government timetable on this important matter, we would have been making a decision without the benefit of the kind of legal opinion that he has. I think, in fairness, we should all have that. We should all share it.

Very briefly, I want just to complete the analysis of article 1904, because it is one of the major issues, as I understand it, and now the minister indicates that even interpretations are going to be in conflict of what these provisions mean.

Paragraph 10—and I think the minister would, in rebuttal, get up and read this section as well:

“This agreement shall not affect (a) the judicial review procedures of either party or (b) cases appealed under those procedures with respect to determinations other than final determinations.”

You could have an interim determination, such as harm, which may not be a final determination in the context of the countervail, and it may be that may not be reviewable by a binational panel. If that is the case and if that is the weight of judicial opinion on this matter, then it is a problem.

Paragraph 11:

“A final determination shall not be reviewed under any judicial review procedures of the importing party if either party requests a panel with respect to that determination within the time



limits set forth in this article. Neither party shall provide in its domestic legislation for an appeal from a panel decision to its domestic courts."

This is in direct response to the government whip's earlier question, and it is the last sentence in paragraph 11:

"Neither party shall provide in its domestic legislation for an appeal from a panel decision to its domestic courts."

That is prevented, and I think that was one of the concerns he voiced during the course of this debate. I am pleased that the government whip brought up that point.

Paragraph 12:

"The provisions of this article shall not apply where (a) neither party seeks panel review of a final determination; (b) a revised final determination is issued as a direct result of judicial review of the original final determination by a court of the importing party in cases where neither party sought panel review of that original final determination; or (c) a final determination is issued as a direct result of judicial review that was commenced in a court of the importing party before the entry into force of this agreement."

I take (c) to have some import with respect to softwood lumber, and that is why in the last couple of days we have noticed a reference to the fact that the softwood lumber issue would not be affected by this agreement. That is a determination or an interpretation of subparagraph 12(c), as I understand it.

**Mr. Harris:** I do not understand it.

**Mr. Pope:** I say to my friend the member for Nipissing, who asked me what paragraph 12 means, basically this provision, I think, provides that either party shall have a right to a final review where neither party requests a final review or is asked to seek a review of a final determination by a person with an economic interest in his country. I think it then means that the binational panel would not sit and has no jurisdiction to do a review on its own.

1750

Article 1904, paragraph 13—we are coming to the end of this article; it is a complex one and for that I apologize—says: "Where, within a reasonable time after the panel decision is issued, a party alleges that:

"(a) (i) a member of the panel was guilty of gross misconduct, bias or a serious conflict of interest, or otherwise materially violated the rules of conduct, (ii) the panel seriously departed from a fundamental rule of procedure, or (iii) the panel manifestly exceeded its powers, authority or jurisdiction set forth in this article, and

"(b) any of the actions set out in subparagraph (a) has materially affected the panel's decision and threatens the integrity of the binational panel review process...."

There is an extraordinary challenge procedure that is available under Annex 1904.13.

What that means is if Canada or Canadian authorities including provinces or a state or the federal US jurisdiction felt there was bias in the panel by virtue of anything that was said or done during the course of the review, there is a resort to an extraordinary challenge procedure and it is set out in an annex to this agreement, which provides for a specific other alternative in the presence of perceived bias.

That again is another safeguard of the binational panel system that I do not believe was realized by those commenting on the binational panel system at the time the general framework agreement was signed in October.

It is important to note that this article, the binational panel and its binding provisions and the rights to extraordinary challenge, must be implemented by January 1, 1989. So, we have one year from the time of the signing of this agreement, which is scheduled for January 2, 1988, to put in place the various rules and to adapt our laws to the existence and the jurisdiction and the establishment of this binational panel.

**Mr. Harris:** So if we talk for over a year, we would be holding that up.

**Mr. Pope:** I do not intend to talk for over a year and hold that process up. I mean, this is very important. It is a binational panel that not only the federal government but also a provincial government and others with economic interests have access to, on request. There is a provision for an extraordinary challenge. There is a provision that the decisions with respect to final determinations are binding and I believe that this represents real progress and answers a lot of the concerns that we heard from the Minister of Industry, Trade and Technology.

When he joins in this debate later on, I believe he will say it has not answered all of his concerns. I know he will, at the time he makes that statement, table for examination some potential scenarios which will indicate where he thinks there will be some gaps or some problems in implementation or in jurisdiction. We would appreciate having that kind of information, just as we would appreciate having those additional legal opinions that we have just been told now exist. All of this information would help the members of this assembly.



There are many other provisions in article 1904, but I will just deal with them in general terms without quoting. There is a requirement on both the United States and Canada to amend some federal laws that do now have some import with respect to this trade issue and there is an obligation on both Canada and the United States to promptly make those amendments.

There is also a requirement to establish a working group which I believe will help to resolve any implementation problems or any last-minute problems of statutory amendment to give effect to the binational panel.

There is a requirement for consultations in the establishment of a secretariat to make sure that if there is any frustration or concern with the operation of the binational panel or with this agreement, it can promptly and expeditiously be aired in this assembly in a binational context and some of these issues resolved.

I think a careful examination of every single provision of this agreement and a response from the government as to whether or not that wording answers some of its earlier concerns or the six conditions that the Premier of this province laid out for accepting the deal, would be helpful to the members of this assembly. I know that the government House leader, the government whip and the Deputy Premier (Mr. R. F. Nixon) will be considering this matter and no doubt in the coming days be tabling that kind of information and making a very positive and constructive contribution to the national debate that will go on for some time in this country as we proceed through the adoption process and the ratification process of this agreement.

It will be a prolonged one, as has been indicated by various spokesmen at the federal level. There will be many debates over the coming months and there are debates right now in Ottawa with respect to this trade agreement. The position, as I understand it, of the Liberal Party of Canada is that there should be a full and lengthy debate on this free trade agreement. I know the government House leader will, of necessity, consider that federal position for a full and considered debate with much more information being made available to the people of this country and this province before the final decision is made.

I want to indicate to you, Mr. Speaker, our concern about the timing of the introduction of this measure, about the timing of the vote and the passage of this measure, about the import of passing this resolution prior to the beginning of committee hearings, as well as our concern that,

much like the Meech Lake accord committee, we will be dealing in committee with a decision that has already been made. The committee will be window-dressing for a decision or policy position that this government has taken. That, I may say, according to many observers, has undermined the credibility of the cabinet committee hearings—the fact that the province is willing to go to the wall so early to oppose this agreement and had a cabinet committee accepting submissions from people when it had already adopted a position.

Most observers feel that undermined the credibility of the government on this matter and I believe to repeat this mistake in the legislative context, as well as the executive council context, lends credibility to that argument that this government has really made up its mind on this issue. Really, the amount of time that Liberal members and opposition members from the New Democratic Party and Progressive Conservative Party will spend on this will not change the government's point of view. It will not change the position of the Premier. It will not change the challenges that the Minister of Industry, Trade and Technology faces as he seeks to convince his cabinet colleagues to really accept this deal and implement it in their own ways. I know he is facing that challenge in cabinet.

I do have faith that, as more precise information comes out, as the Minister of Industry, Trade and Technology makes it available to his cabinet colleagues, he will win that battle and the Premier will be forced to acknowledge the benefits of this agreement and the fact that it is good for Canada and good for Ontario; that it provides better access to the American market; that it provides for a more secure trading relationship; that it gives economic stability for various important sectors of Ontario's economy; that it provides for some guarantee of job security; that it will, as the Treasurer said in his own study, decrease prices and improve employment; that it is, as the Treasurer now admits in the privacy of cabinet, a good deal for Ontario.

I understand the problems and challenges of the Minister of Industry, Trade and Technology, who now has an ally in the Treasurer as they seek to convince the rest of their cabinet colleagues to go along with the national consensus and do what is good for Canada and for Canadians.

On motion by Mr. Pope, the debate was adjourned.

#### BUSINESS OF THE HOUSE

**Hon. Mr. Conway:** I would like to indicate the business of the House for the coming week.



On Monday, December 21; Tuesday, December 22, and Wednesday, December 23, we will continue the debate on the free trade resolution. If we are to consider other business, it will be announced to the House following the usual

consultations among the House leaders. I would also like to advise the House that committees will not sit next week.

The House adjourned at 6:01 p.m.



## ALPHABETICAL LIST OF MEMBERS\*

(130 seats)

First Session, 34th Parliament

**Lieutenant Governor: Hon. Lincoln M. Alexander, PC, QC**

- 
- Adams, Peter (Peterborough L)  
 Allen, Richard (Hamilton West NDP)  
 Ballinger, William G. (Durham-York L)  
 Beer, Charles (York North L)  
 Black, Kenneth H. (Muskoka-Georgian Bay L)  
 Bossy, Maurice L. (Chatham-Kent L)  
**Bradley, Hon. James J.**, Minister of the Environment (St. Catharines L)  
 Brandt, Andrew S. (Sarnia PC)  
 Breagh, Michael J. (Oshawa NDP)  
 Brown, Michael A. (Algoma-Manitoulin L)  
 Bryden, Marion (Beaches-Woodbine NDP)  
 Callahan, Robert V. (Brampton South L)  
 Campbell, Sterling (Sudbury L)  
**Caplan, Hon. Elinor**, Minister of Health (Oriole L)  
 Carrothers, Douglas A. (Oakville South L)  
 Charlton, Brian A. (Hamilton Mountain NDP)  
 Chiarelli, Robert (Ottawa West L)  
 Cleary, John C. (Cornwall L)  
 Collins, Shirley (Wentworth East L)  
**Conway, Hon. Sean G.**, Minister of Mines (Renfrew North L)  
 Cooke, David R. (Kitchener L)  
 Cooke, David S. (Windsor-Riverside NDP)  
 Cordiano, Joseph (Lawrence L)  
 Cousens, W. Donald (Markham PC)  
 Cureatz, Sam L. (Durham East PC)  
**Curling, Hon. Alvin**, Minister of Skills Development (Scarborough North L)  
 Daigeler, Hans (Nepean L)  
 Dietsch, Michael M. (St. Catharines-Brock L)  
**Eakins, Hon. John F.**, Minister of Municipal Affairs (Victoria-Haliburton L)  
**Edighoffer, Hon. Hugh A.**, Speaker (Perth L)  
 Elliot, R. Walter (Halton North L)  
**Elston, Hon. Murray J.**, Chairman of the Management Board of Cabinet (Bruce L)  
 Epp, Herbert A. (Waterloo North L)  
 Eves, Ernie L. (Parry Sound PC)  
 Farnan, Michael (Cambridge NDP)  
 Faubert, Frank (Scarborough-Ellesmere L)  
 Fawcett, Joan M. (Northumberland L)  
 Ferraro, Rick E. (Guelph L)  
 Fleet, David (High Park-Swansea L)  
**Fontaine, Hon. René**, Minister of Northern Development (Cochrane North L)  
**Fulton, Hon. Ed**, Minister of Transportation (Scarborough East L)  
 Furlong, Allan W. (Durham Centre L)  
**Grandmaitre, Hon. Bernard C.**, Minister of Revenue (Ottawa East L)  
 Grier, Ruth A. (Etobicoke-Lakeshore NDP)  
 Haggerty, Ray (Niagara South L)  
 Hampton, Howard (Rainy River NDP)  
 Harris, Michael D. (Nipissing PC)  
 Hart, Christine E. (York East L)  
 Henderson, D. James (Etobicoke-Humber L)  
**Hošek, Hon. Chaviva**, Minister of Housing (Oakwood L)  
 Jackson, Cameron (Burlington South PC)  
 Johnson, Jack (Wellington PC)  
 Johnston, Richard F. (Scarborough West NDP)  
 Kanter, Ron (St. Andrew-St. Patrick L)  
**Kerrio, Hon. Vincent G.**, Minister of Natural Resources (Niagara Falls L)  
 Keyes, Kenneth A. (Kingston and The Islands L)  
 Kozyra, Taras B. (Port Arthur L)  
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No. 26

# Hansard

## Official Report of Debates

### Legislative Assembly of Ontario

**First Session, 34th Parliament**  
Monday, December 21, 1987

Speaker: Honourable Hugh A. Edighoffer  
Clerk of the House: Claude L. DesRosiers

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# LEGISLATIVE ASSEMBLY OF ONTARIO

Monday, December 21, 1987

The House met at 1:30 p.m.

Prayers.

## MEMBERS' STATEMENTS

### TRADE WITH UNITED STATES

**Mr. Philip:** It seems ironic, if not hypocritical, that while the Premier (Mr. Peterson) was attacking free trade in Ottawa last Thursday, his Minister of Transportation (Mr. Fulton) was introducing free trade legislation at Queen's Park.

In so doing, the minister stated that most Canadian jurisdictions were already well into similar so-called reforms. It is astonishing that the Minister of Transportation should be so poorly informed. The facts are that British Columbia, Saskatchewan, Manitoba, New Brunswick, Nova Scotia and Newfoundland have not introduced this kind of legislation, nor are there any indications they intend to do so at the present time.

Simon Reisman has admitted his failure in the free trade negotiations to obtain easier access to American markets for Canadian trucking companies. It is next to impossible for an Ontario carrier legally to pick up and deliver to 43 US states. In contrast, the Liberal government's legislation will give American carriers easy access to the Ontario markets.

According to the Ontario Trucking Association, this legislation could result in the loss of 10,000 jobs to Ontario residents. It is sad that the government has caved in to the lobbying of the Canadian and American manufacturers' associations and has so little concern about the profitability of trucking companies in this province and the jobs of their employees.

**Mr. McCague:** All members know we are here today because of the government's introduction of a resolution condemning the free trade agreement. All members know that in introducing the resolution, the government broke parliamentary tradition, for the resolution was never discussed by the House leaders. All members know that the resolution does not make sense, for it prejudices the work of the standing committee on finance and economic affairs, which is going to be looking at this agreement.

By taking this ill-founded and poorly-thought-out step, Mr. Speaker, the government has disrupted the holiday plans of not just the members of this assembly but also you and all the people who work here at Queen's Park.

As members know, the pages are students from either grade 7 or grade 8. While this is an exciting opportunity for them, the pages do not see their families and friends for an extended period of time as they serve in the Legislature. They were told last Thursday would be the end of this session. The government effectively ended those plans. Instead of spending this week with their families and friends, the government is forcing them to alter their holiday plans to suit the government's own shortsighted and ill-considered agenda.

As members, we are given prompt and courteous service by the pages and they deserve better. The government's action is mean-spirited.

BEN JOHNSON

**Miss Nicholas:** It is with great pleasure that I rise today to honour one of the most outstanding and renowned athletes from the city of Scarborough, Ben Johnson.

Last week, Ben Johnson had a triple win: the Lou Marsh trophy for Canada's outstanding athlete of the year; the top international sports personality of the year; and for the second time, the Lionel Conacher award as outstanding male athlete of the year.

Since 1985, Ben has established himself as the world's top sprinter. In August of this year, while those of us in this House were running around the streets of Ontario in the election campaign, Mr. Johnson was running in Rome at the world track and field championships where he set an all-time record in the 100-metre sprint.

Mr. Johnson offers an outstanding example to all people of Ontario, both young and old, of health and physical fitness as well as personal achievement. He set high goals for himself and he realized them. That is something we could all learn from. I hope he is an inspiration to young people to strive to do their best in all things.

I wish to honour him and his family today and to wish them all the best. I hope all the members



of this House will join me in congratulating him. Although it is presumptuous of me to say, it is my fond hope that he will bring home to Canada and to Scarborough a gold medal from the 1988 Summer Olympics in Seoul, South Korea.

### LEARNING DISABLED

**Mr. Allen:** I want to call the attention of the Premier (Mr. Peterson) to a serious case of unequal justice dealt by two of his ministries.

Jordan Goldstein and Robbie Thompson are gifted boys with severe multiple learning disabilities. Their school boards had difficulty placing them. Supported in private placements by vocational rehabilitation services funding, they went through the review of late 1985 and secured a one-year extension. Both families appealed for a further extension; one got it, the other did not.

The different treatment appears to lie not in any notable difference in their circumstances but in the routes they took through government. In both cases, the Ministry of Education said they had to find an appropriate program in their local board. In both cases, the boards declared they did not have an appropriate placement.

Here the routes diverge. The chief psychologist of the Goldsteins' North York board declared the board's options unsuitable and referred the case to Impac, the problem-solving group in the Ministry of Community and Social Services, which ultimately decided in the Goldsteins' favour.

For the Thompsons, however, the East York board itself declared it had no suitable placement and could find none in Ontario, so it asked Education to fund a placement at the Gow School in New York. The Ministry of Education, however, has hung the case up on technicalities for months and the family is having to resort to the courts. When approached through Comsoc, Education told Comsoc to back off.

Will the Premier not balance the scales of justice by intervening on Robbie Thompson's behalf, or is he satisfied with the unequal justice the two ministries have dealt?

1340

### FAMILY VALUES

**Mr. Harris:** The Christmas season is a special time of year for every family in Ontario, so it is fitting that I rise today to comment on this Liberal government's attitude towards family values, a matter of genuine concern to people today. The fact that everyone associated with this assembly had to change his or her family Christmas plans

because of sheer Liberal arrogance underlines this attitude.

Selling beer and wine in corner stores was a higher priority for this government than dealing with alcohol-related health and social problems in this province. Wide-open shopping that forces businesses to open and employees to work is more important to this government than providing the necessary leadership to permit families to be together on a very special Sunday after Christmas.

The statements by the Attorney General (Mr. Scott) that murderers in this province spend too much time in jail shows contempt for law and order, as do the efforts of the Premier (Mr. Peterson) to expand abortion services throughout Ontario with no debate in this Legislature, input from the people or promotion of alternatives. This Liberal government places more money, resources and emphasis into increasing access to abortion on demand than it does on the alternatives to abortion: counselling, education, responsibility, adoption. This Liberal government flouts the federal law on abortion and refuses to recognize, in even any small way, the rights of the unborn.

This Liberal government sits idly by while witches and warlocks gain official religious-institution status while they erode the principle of the Sabbath.

This Liberal government gives a very low priority to family values and law and order—

**Mr. Speaker:** The member's time has expired.

**Mr. Harris:** —and it is becoming a concern—

**Mr. Speaker:** Order.

### PENETANGUISHENE MENTAL HEALTH CENTRE

**Mr. Reville:** If ever there was a government facility that deserved to be torn down, Oak Ridge surely is it. However, to give itself more time to dither, the government has decided to renovate parts of it instead. Lo and behold, on October 15 it managed to open a new ward. The problem is, no patients went into the ward. Why is that? Because the ministry has not gotten around to allocating any staff for that ward. What we have is a ward that has been open for two months now with nobody on it.

The chairman of the community advisory board has written to the ministry on four occasions since last April, begging that supplementary staffing allocations be approved, but without any response. The chairman says: "The present Oak Ridge facility is not just antiquated,



it is offensive. If proper support is given, we can make it serviceable for a short period while a new hospital is built."

Proper support is not being given. It does not appear that the ministry has a timetable for its replacement. What is the ministry doing, anyway?

## STATEMENTS BY THE MINISTRY

### INTERNATIONAL SALE OF GOODS

**Hon. Mr. Scott:** Some of Canada's major trading partners, notably the United States, China, Italy and France, have joined the United Nations convention on the international sale of goods. The government of Canada has also indicated its interest in joining the convention.

The convention, which is also known as the Vienna sales convention, harmonizes the law which applies to contracts for the sale of goods from a supplier in one country to a buyer in another. It was developed by the United Nations Commission on International Trade Law and was approved by a conference of more than 60 countries, including Canada.

Before formally acceding to the agreement, the federal government is seeking significant provincial participation in the form of supporting legislation. I am happy to announce that the government of Ontario is pleased to participate in this convention. It has many advantages for exporters and importers in this province. In addition to the facilitation of international contracts, participation in the convention by Ontario is viewed by this government as an important step in promoting Ontario's presence in the international trading forum.

I will today, therefore, be introducing for first reading the International Sale of Goods Act. This act will implement the convention in Ontario. It will take effect when the convention becomes effective at the federal level, possibly in 1989.

Importers and exporters play an important role in the provincial economy. Last year, for example, more than \$72 billion worth of goods was imported into Ontario and \$62.6 billion worth was exported to our trading partners. Thousands of contracts covered these transactions.

At present, every country has its own laws for the sale of goods. Some of our trading partners have laws that are quite familiar to our business people—those of the United Kingdom, for example, which are very similar to ours, or the United States, which do not differ greatly—but others vary considerably, and in the eastern bloc or

Islamic countries these differences can be very striking.

The convention provides a compromise which is acceptable to most legal systems and to countries in every stage of economic development. The rules, I believe, are sensible and fair and they do not depart dramatically from the rules relied upon by our business community. Both the Canadian Manufacturers' Association and the Canadian Bar Association support the implementation of the convention in Ontario. I should add, however, that notwithstanding the convention, parties to a transaction may agree to choose some other system of law to govern their contract.

This government plans to approach various interested business groups to participate and assist in an educational program for Ontario business people. The process will help them become familiar with and employ the terms of the new law. In passing this legislation, Ontario can do its part in harmonizing the law that governs contracts for international trade.

### FOREST PRODUCTS INDUSTRIES

**Hon. Mr. Kerrio:** Today I would like to table a report entitled Study of Ontario Forest Products Industries, prepared for my ministry by independent consultants Woodbridge, Reed and Associates. This study provides an analysis of the wood products industries in terms of global competitiveness and new opportunities presented by markets, technologies and resources. We commissioned this study because of the importance of these industries to Ontario and particularly to many of our northern communities.

My ministry identified the need for such a study early last year. At that time Dr. Gordon Baskerville was in the midst of his comprehensive review of the overall management of the crown forests of Ontario. His report confirmed our view that an analysis of the forest products industries was necessary. The study became part of the ministry's 16-point action program to revitalize forest management in Ontario. This study gives us an independent and up-to-date appraisal of the current status of these industries and their potential for future growth and expansion.

The general prognosis for the forest products industry is positive. The consultants found that "Ontario has the basic resource strength to become a larger force in forest products, particularly pulp and paper, and is well positioned to achieve overall growth as well as capitalize on the trend to higher valued pro-



ducts.” However, the report identifies some important challenges for both industry and government. It recommends a more proactive role for government in encouraging new investment and in identifying and encouraging new investment and marketing wood surpluses. The issue of accurate wood supply information is already being examined under the Baskerville action plan.

The report also recommends action by industry in the areas of modernization of ageing facilities, better use of new technologies, more aggressive marketing and the introduction of innovative product lines. My ministry staff is consulting with industry representatives on how we can best meet the challenges facing us. My deputy minister is working with an interministerial committee to co-ordinate the government review and focus on issues which require a team response. We will also be asking the Premier’s Council and the northern development councils for their input.

Based on these consultations, my ministry will develop an action plan which I expect to present to the House in the first part of the new year, while we are still here. This report says that both industry and government need to move faster and more aggressively to capitalize on new opportunities. I am sure we all agree that where we find or can create an opening for our products and our skills, we should go after it. But we must identify priorities and directions for our economic initiatives. We need a comprehensive and co-ordinated approach. That is what we intend to improve.

## RESPONSES

### FOREST PRODUCTS INDUSTRIES

**Mr. Laughren:** It is truly scary to think that if we were not sitting today we would not have heard this statement from the Minister of Natural Resources (Mr. Kerrio). When the minister got to his feet, when I saw the document, I thought, “My goodness, another study on Ontario’s forests. Imagine that.” If we were to pile up all of the studies that have been done on Ontario’s forests, it would explain why there may be a shortage of wood in the future in this province.

1350

While the studies go way back, decades, do you know what has never been done, Mr. Speaker? Studies have been done on everything from wood allocation to competitiveness, but neither the government before this nor this government has ever had the courage to do an audit of Ontario’s forests.

This study recommends, according to the minister’s remarks, that there needs to be more money put into the industry to modernize. It was less than 10 years ago that \$100 million of taxpayers’ money supported the forest industry in this province—federal and provincial tax dollars; all taxpayers’ dollars to support the industry that would not modernize itself.

Here we have the minister saying we need to have more high-valued products from our forest products. I agree with that; of course we need more high-valued products. But the minister does not seem to understand yet that unless we get a handle on how much wood is out there, what the species are, whether they are the economically viable species that are going to be needed in the next 20 years, then all of these studies will be for naught.

I have often asked the minister why he would not appoint a permanent forestry auditor for Ontario. A couple of years ago the minister appointed Professor Baskerville. He did an audit, but he did an audit of Ministry of Natural Resources files. He did not do an audit of the forests at all. He admits that. He said, “You couldn’t ask me to do an audit in six months,” and that is what the minister asked him to do. He said, “I can’t do it in the bush, so I will have to do it in the MNR files.” So he spent six months going through the filing cabinet of the Minister of Natural Resources. That is what he did.

The minister responded by saying, “We are going to have a 16-point plan.” I would like to have an update from the minister, point by point, of all those 16 points he said he was going to bring forward within the next year; I think he said by the end of 1987. To this point, we have not seen that.

Now the minister says: “Don’t you be worried. In the new year, we are going to have an action plan.” What terrifies me is that in early 1988 the action plan is going to be—are you ready for this, Mr. Speaker?—another study. Mark my words. In 1988 the Minister of Natural Resources will commission another study on Ontario’s forests. But do members know what it will not do? It will not audit Ontario’s forests.

To this day, the minister has no idea of what is out there in Ontario’s forests, species by species. I understood why the previous government, when the member for Cochrane South (Mr. Pope) was the minister, would never do an audit. I understood why he would never do an audit: because he would have had to answer for the results of that audit. This government does not have to answer for the result of an audit of



Ontario's forests. It is not the one which screwed it up; it was the Progressive Conservative Party.

I ask why this government will not do a permanent forestry audit, establish an office of the Provincial Auditor, as there is for the rest of the government, and do one for Ontario's forests. There is a great deal at stake.

The minister, for some reason that no one I have ever talked to can understand, will not do a permanent forestry audit. There really is no reason whatsoever—

**Hon. Mr. Scott:** There may be an idea there we can pick up.

**Mr. Laughren:** No, I do not think the government will do it. Here we have the minister now setting the stage for more taxpayers' money to go into the forestry industry. That is really what is behind this report, and the minister should at least have the courage to admit that.

**Mr. Pollock:** Needless to say, I have not had a chance to go through this report and study it, but once I have that chance I will perhaps be able to report more fully.

But I want to put a few things on the record. I know that in certain areas where there is rough terrain there are a lot of local people who believe there should not be clear-cutting, there should be selective cutting in those areas. In other areas where the forest is more level, then they can go for clear-cutting. I take it that in the minister's report, though, he mentions that he wants to have access to markets. Does that mean he is now coming around and is in favour of free trade? That is how it appears, anyway.

Interjections.

**Mr. Speaker:** The member for Hastings-Peterborough has the floor.

**Mr. Pollock:** I would like to pay tribute to those people in the Bancroft area who were responsible for helping get the D&E Wood Products in that particular area. That will be a boon to that area, and let us hope that more attention is paid to that particular area so there will be wood products there to supply that particular plant.

**Mr. Pope:** I have just a couple of words with respect to the study of the Minister of Natural Resources. I wanted to congratulate him for tabling yet another report of the obvious—the obvious being that we face competitive and technological challenges in the forest products industry today and in the coming years.

Previous governments involved themselves at the federal and provincial levels in the modernization of the sawmills. I know the minister

himself has had some discussion and some concern about thermomechanical pulp processes in this province. The fact of the matter is that in 1985 there was a program for the modernization of sawmills which would have aided in precisely some of the same goals and issues that he set forth in this study. He has not acted on the modernization of sawmills program, and that is to the detriment of many communities and many industries in northern Ontario.

Yes, we do face technological challenges. It is not only with respect to machinery but also with respect to genetic manipulation of forest products; in the southern United States, the growth cycle down there as compared to the growth cycle here; closeness to market there as compared to closeness to market here. All of these challenges exist. They are going to get even more serious.

Not only that, but the fundamental challenge to our forest products industry is countervail, quotas and congressional trade bills in the United States. That is the fundamental concern for the people of the forest products industry, for the employees, for the people who live in the resource-based communities of northern Ontario.

This government has said one thing publicly and another thing privately. It has sat on the sidelines. It has not moved to protect the interests, to open up the American market for the forest products industry, and it deserves to be condemned for its inaction: its inaction in opening up the American market and in making sure we do not have countervail duty in the future; its inaction in making sure that we do not have quotas or congressional trade bills in the future.

The government deserves to be condemned for its inaction in the face of all of these competitive challenges, and yet it tables another report on technology in the industry and does nothing to confront the essential challenge for our forest products industry in this province, not only today but for decades to come—nothing at all. It has done nothing.

#### INTERNATIONAL SALE OF GOODS

**Mr. Pope:** I have to say to the Attorney General (Mr. Scott) in reference to his statement that I welcome the fact that, at least in the face of the indication by the Minister of Natural Resources (Mr. Kerrio) that trade is one area where the government has to move, and in the face of the study by the Treasurer (Mr. R. F. Nixon), which shows that free trade will help the people



of Ontario, we have some small movement by the Liberal government of this province to implement true international free trade.

**Mr. Sterling:** I want to comment briefly on the Attorney General's remarks here, and I want to say I am not certain, after the mess this government has got Ontario and provincial powers into with regard to trade and commerce under our Constitution, that this act is going to be necessary for the province to pass at all. At least, when I read the Attorney General's remarks to the Canadian Bar Association and listen to other experts on the matter, it seems that the Attorney General and this government have sold the provincial powers with regard to these matters down the drain.

1400

#### ESTHER SHINER

**Mr. Cousens:** I understand there is unanimous consent from all parties for a statement on the late Esther Shiner.

Yesterday, we all received a great shock in learning of her passing. This is a lady who not only distinguished herself as a mother, parent and good citizen of the community, but also, in her efforts as councillor and deputy mayor of North York, became known as one who was a fighter for everybody. I am sure that many Tories wish she had won the battle for the Spadina Expressway, and there are many others in Toronto who would have liked to have seen that go ahead. She believed in it and she fought hard.

She fought hard when she saw the streetcars needing a skirt to protect people and so she went out and made something happen. She fought hard when drivers' licences needed some sort of photo identification and she won that battle. She fought to get the Reduce Impaired Driving Everywhere program introduced into North York and she won that battle. The battle she lost yesterday was the battle with cancer.

Indeed, I think as we look around and we hope for a better world, the more we can continue the fight for things the way she did to make it a better community for everybody. The one who was known as Esther did not want to have a lot of special laurels and accolades. She was doing what she did in her community and for everybody because she loved it. She is an example to all politicians and to all of us in public service.

On behalf of our party, I would like to extend our sympathy to her husband, Sol; her sons, Jerry, David and Mark; her daughter, Barbara, and all her grandchildren.

May we remember her for her great contribution. She is an example to all of us of what it is to be truly a servant of all the people.

**Mr. Polsinelli:** I would like to extend the sympathies and the condolences of the Liberal Party to the family of Esther Shiner.

As a former colleague of Esther, I had the pleasure of meeting her in 1982 when I was first elected to the North York council. She struck me as the type of politician, as the member for Markham (Mr. Cousens) indicated, from whom we can all learn. She always had an eminently reasonable position on the issues and she always put forward that position with conviction, with fervour and with warmth, something that is not commonly found in a lot of politicians today.

She was able to sit down with people, with her peers, and explain the issues and bring them down to a human level, to a level that we could all understand. She always put forward the interest of the people in North York, the people she represented, before any other interest.

While Esther may be publicly recognized for her very strong fight to complete the Spadina Expressway, it should also be noted that around this time of year, Esther would probably have been found in Yorkdale Mall or some of the other malls in North York directly raising funds for many worthwhile charitable institutions. She was active with the North York Red Cross. She was active with blood donor clinics. She was active with women's shelters. She fought against drinking and driving.

Esther had many attributes but her greatest attribute was a very positive and gentle tenacity and she put forward the interest of her constituents, the interest of the people, before every other interest. I think it is only fitting that her family has asked that donations in lieu of flowers be sent to the Esther Shiner Memorial Fund. Knowing Esther's character and personality, I am sure she would have wanted it that way.

**Mr. B. Rae:** I know all the members in the House who knew Esther Shiner share with me a sense of personal loss. I certainly want to send to Esther's family our very deepest feelings at this time.

I first met Esther after I went into provincial politics. She phoned me up and said she wanted to come talk about the Spadina Expressway. I had never met her before. I had heard her on the radio early in the morning, as I am sure many other members have. I welcomed her into my office and she said, "Why are you against the Spadina Expressway?" I told her why, and she said, "I think you are crazy." A lot of other



people have reached the same conclusion. It took them a little longer, though, but she managed to say that. Then we had a very engaging and direct conversation for several minutes and chatted for quite a long time.

I spoke with her on a number of other occasions and met with her on a lot of occasions. We attended many charitable functions together. She was one of those people with whom one could always disagree. I think it is fair to say I disagreed with Esther on a lot of issues, not only on that one but also on some others. I never felt that she bore any kind of personal grudge against people who disagreed with her. She felt very strongly on behalf of her community. She fought very hard on its behalf. She raised a remarkable family. She did it all.

It is with a great sense of sadness that I express on our behalf our very real condolences to the family. But frankly, and it is always hard to say this on these occasions, we also celebrate her remarkable life. She gave a lot. She fought hard and she enjoyed life. She enjoyed politics and she enjoyed people. That is a very good lesson and a good memory for all of us to carry with us, which is what we all will do.

**Mr. Speaker:** On behalf of all members, as soon as the official record is printed, I will send a copy of Hansard to the Shiner family so that they will be aware of your words of sympathy.

## ORAL QUESTIONS

### TRADE WITH UNITED STATES

**Mr. B. Rae:** On this most joyous of days, I have a question to the Premier. Perhaps the Premier can explain it to me once again.

The Attorney General (Mr. Scott) gave a speech last week which I assume represents the position of the government, since he told me today that the government of Ontario is his only client and I assume he is acting on behalf of that client when he gives speeches to the bar association.

The Attorney General was really quite emphatic and definitive about what he thought of the deal and its constitutional implications as an invasion of provincial powers, saying he disagreed fundamentally with the view that the deal fell within the purview of federal power exclusively and he accepted as a precedent the 1981 decision of the Supreme Court of Canada on the repatriation, wherein the Supreme Court stated very clearly, as a precedent, that it regarded the need for federal-provincial co-operation and bargaining as essential as we head into a major

change in the constitutional makeup of the country.

I remain completely perplexed by the position the Premier has put forward. One time he said he would do anything he could to stop the deal. He said he would fight every step of the way to stop the deal. He said there could be no deal. Then he backed off that position.

Why is it that today he is not in a position to announce clearly and categorically just what the strategy of the Ontario government is going to be in order to defeat this deal?

**Hon. Mr. Peterson:** The honourable leader and I had a discussion last week on this identical question. We have the Attorney General here in the House today. He is willing, I am sure, and very capable of explaining his constitutional views to the honourable member. I think it might be helpful for this discussion if I refer this to the Attorney General to illuminate his former student with respect to the constitutional ramifications of the free trade agreement.

**Mr. Speaker:** Order. The usual procedure is just to refer the question immediately. Is there agreement that it be referred?

**Mr. Pope:** No.

**Mr. R. F. Johnston:** It is a contradiction.

**Mr. B. Rae:** No. I am always glad to talk to the Attorney General, but the Premier is in the House. It is nice to see him here. I would like him to answer the question I am putting to him. He is here as the first minister. Presumably, he is the one who is going to decide what kind of challenge the province will mount to this decision by the federal government.

I think we are entitled to hear from the Premier exactly why it is, given the position that has been set out on behalf of Ontario, that he does not now think it appropriate or right or reasonable for the government to state today that it is going to launch a challenge to this action by the government of Canada. Either the action by the government of Canada is unconstitutional or it is not. Which is his position?

**Hon. Mr. Peterson:** I am happy to discuss it again with my honourable colleague. He has read the Attorney General's speech and he knows there are constitutional implications throughout. That being said, the question comes under one of three categories.

Is the treaty referable to the courts? From the best legal advice that we have, it is not referable. It is under the purview of federal responsibility to conclude a treaty, and a court challenge specific-



ally on the treaty would probably not yield positive results.

**1410**

Second, my honourable friend may ask me if we would like to frame a theoretical question for reference to the courts. Again, the best legal advice I have—and if he has any question about this, please address it to the Attorney General—is that if one did frame a theoretical question it would not be conclusive in any respect because there are so many other potential questions that could be framed and probably would lead us nowhere.

The critical question really is the implementation of the various terms of the so-called free trade accord. At this moment, it is not clear what kind of implementation legislation will be requested by the federal government. There are specific areas in the wine industry—I use that as a specific example—where we believe it is in the area of provincial responsibility.

As the Attorney General pointed out, I think very wisely, in his speech last week, there are a number of areas in the accord that potentially could be under provincial jurisdiction: services, agriculture and a variety of other things that some time in the future could be the subject of some litigation, if not by this province then perhaps by some other province.

If, for example, a province wants to do something in the future, it may be ruled contrary to the free trade accord and there could be some discussion on that. There is also, as the Attorney General has pointed out to the members, section 103, and the implementation of the “all necessary measures” provision could indeed force some clarification in the future as it pertains to a specific piece of implementation legislation.

So I say to my friend, in conclusion, the best legal advice we have at the moment—and I rely on the esteemed Attorney General for that, with his battery of advisers, some of the finest in the country—is that at this moment there is nothing that could be referred that would yield any significant results.

**Mr. B. Rae:** Since everyone knows we are here debating a resolution which the Premier is insisting that we have, and perhaps since the Premier has indicated he is now throwing in the towel in terms of doing anything before the January 2 date—he has indicated he does not intend to launch a court challenge of any kind, at least until well after implementation legislation is in, and even then he is not prepared to tell us he is going to do it; he is sort of throwing in the towel inch by inch, not all at once, because God knows

that would be much too decisive a thing to do, but just letting it sort of inch its way out—perhaps I might ask:

Why is the Premier insisting, in his sort of Rambo imitation on Friday—having been Clark Kent on Thursday, he decided to come back as Rambo on Friday—that we have to sit here come hell or high water, right through Christmas, Christmas Day, Hanukkah? It does not matter what the holiday is or what the time is, we have to sit here to give him a resolution. What for, if he is not going to use a resolution in order to defeat this treaty? Why the charade?

**Hon. Mr. Peterson:** I am sorry the members have interrupted his holiday in that regard, but I say to my honourable friend that he is the one who is constantly in this House, saying “a clear and formal message forward that Ontario does not approve of this trade agreement.” That is what my honourable friend has asked for, and now there is a resolution before this House, put forward as soon as the text was received, that says we do not approve of this free trade agreement.

I believe, as my colleagues do, that a resolution of this House will in the clearest way possible put forward to the American government that we do not approve of the implementation of this particular treaty. We do not approve of its signing and we believe that a critical date is prior to January 2.

**Mr. B. Rae:** But don't do anything about it.

**Hon. Mr. Peterson:** My honourable friend can hoot and holler all he likes. He can frame a phoney war if he so likes in this matter, but let me say to him that in opposition he may have the luxury of making some of these excessive cases, but the government does not have the luxury of this oversimplification of a very complicated case.

## NUCLEAR POWER

**Mr. B. Rae:** It is perfectly clear what the Premier is engaged in. Since the Premier has so clearly dropped the ball and broken his word on free trade and has demonstrated that again today, I would like to ask him a question now about nuclear power.

Perhaps he can indicate now where he stands on that question, having indicated so clearly in 1983, in 1984, in 1985 and most recently in 1986 when he said, and I quote from the November 16 Toronto Star, “I do not see another Darlington being built.” Hydro says, and I am quoting from the Hydro report, “When new major supply is required, there would be significant potential



loss of benefit to Ontario Hydro's customers if the Candu nuclear option was no longer available." It goes on to say, "Therefore, it is important that the Candu nuclear option be maintained if this can be done at reasonable cost."

Is the Premier prepared to tell us now, categorically, after having been in government for over two years, just what is his new position now on nuclear power?

**Hon. Mr. Peterson:** We have the demand-supply study coming forward. That will be subjected to a thorough review by members of this Legislature and others leading to a decision. No decision has been made in that regard to what the future holds in store, but certainly we will have to clearly review the demand-supply options as the ministers have pointed out over the last couple of years. There have been significant changes in Hydro's direction in the last couple of years, and we will review all of that and come to a conclusion together.

**Mr. B. Rae:** The Premier says his position is now clear and that is that he has not made a decision. Is the Premier therefore repudiating the comments which were attributed to one of his aides on August 29, 1987—ironically, of course, in the middle of the election campaign? He said, "We are not going to go for a new nuclear plant and neither has Hydro asked for it." The Toronto Star reported that Vince Borg said: "The Liberals plan to meet future power needs by building more hydroelectric and coal-fired plants and promoting conservation, not building more nuclear plants. Borg gave his assurance that the government has not wavered from its opposition to nuclear energy."

Now Vince has gone to another line of work. The Premier was quite glad to have him act as his spokesman during the election campaign, holding out a very clear statement, not qualified with all the mishmash that his statement today is qualified with. The select committee has had two years to study this question. They have looked at the supply-demand options. Can the Premier tell us just what is the position now of the Liberal government with respect to the future of nuclear power?

**Hon. Mr. Peterson:** No final decision has been made on how to meet the current demands or indeed any agreement on what they are. We will have the base document coming forward. It will have wide and thorough discussion from all sectors of society. Some time in the next couple of years, a decision will have to be made on what direction we go in as a society. I recognize, as the member does, that those are difficult and

complicated discussions but it will have a thorough airing and nothing is ruled in.

**Mr. B. Rae:** In 1983, the Premier said, when he was the leader of the Liberal Party, "It is madness to keep rushing headlong into such a nuclear future." On January 28, 1984, he said: "I do not see it as an end. I see it only as something to tide us over until we get to the ultimate energy solution." Later on in 1984, he said: "It is cheaper to close Darlington down and write off that money than it is to proceed. It should never have been started." On April 23, 1985, he said: "Our position is very clear. My predisposition is not to proceed with Darlington. Darlington is a very horrible mistake."

I could go on and on about what he has said about Darlington and what he has said about nuclear power. I would like to ask the Premier just where does he stand on this question? Does the Premier not think we are entitled to know an answer to that question?

**Hon. Mr. Peterson:** If one goes back over the entire history of the whole matter, the member will recall when I was in the House in 1975 when we started into a discussion of this matter, the original projected cost was some \$2.4 billion. It turned out to be \$11 billion. I said during the 1985 campaign that matter would be referred to a committee of this Legislature, as it was, and we got the advice of the committee of the Legislature, having expended \$7 billion—

**Mr. B. Rae:** Yes, you never saw those guys before. You never met them before, eh?

**Hon. Mr. Peterson:** We did exactly what we said we would do in that regard because \$7 billion had been expended. Now we have a clean slate walking forward and all of the options will be assessed, including conservation, smaller-scale development, cogeneration and a variety of others. I think there are options and every one of those will be thoroughly canvassed.

#### TRADE WITH UNITED STATES

**Mr. Brandt:** My question is for the Premier. As the Premier is aware, some months ago the Premier established a cabinet subcommittee—in fact, very shortly after the election—to study the impact of free trade on Ontario. As the Premier is also aware, that subcommittee has not reported any of its findings to the Legislature nor has it had an opportunity to report its findings to the finance committee which was established again with the purpose of having it review the findings of that subcommittee. In addition, the Premier has put a resolution before this House which indicates a



direction to the finance committee long before the cabinet subcommittee has reported.

Will the Premier now admit, as many have been saying, that the cabinet subcommittee was nothing more than a farce and has absolutely no relevancy to the debate on free trade whatsoever?

1420

**Hon. Mr. Peterson:** I take exception to what the honourable gentleman would want to put forward in this House. Very much to the contrary, as soon as the preliminary agreement was tendered, I believe on October 5 or October 6—in that time frame—the cabinet subcommittee set about to do a thorough analysis on the basis of that preliminary agreement, obviously in the absence of the final text. Hearings were held across the province and people had an opportunity to express their points of view. Indeed, I think it was a very instructive process.

That report will be coming along forthwith and that analysis of the preliminary agreement will be shared with the economics committee to fold into its analysis of the specific text. The more light we can shed on this from all different points of view, the more constructive the debate will be. I think it is important in a complicated discussion like this to let the public have its say on this matter.

**Mr. Brandt:** That has got to be the strangest answer I have ever heard from the Premier on a question I have raised with him.

**Mr. R. F. Johnston:** There have been stranger ones.

**Mr. Brandt:** There have been some other strange answers, I agree, but that one really is quite strange, recognizing that the Premier is saying he wants the public to have a say on what the impact is going to be, whether positive or negative, with respect to the free trade debate, but he wants in advance of that debate to have a resolution before the finance committee that establishes the terms of reference, with a very narrow focus on one part of the debate only. Then he stands before this House and indicates he wants an open, fair and equitable debate so that all the province of Ontario can be heard.

I ask the Premier, will he redirect the information he has given to his minister and have him bring in a neutral resolution for forwarding to the finance committee, so that we can get on with an appropriate discussion at the committee level with respect to the whole question of free trade and this province?

**Hon. Mr. Peterson:** The member may say that I gave him a strange answer. That was the strangest question I have ever had in this House.

Now the member is asking this government to be neutral on the situation.

I want him to know where this government stands on the matter. I think it is important that all other affected parties, i.e., the Canadian government and the American government, understand where Ontario stands. The member understands where this government stands; I understand where the New Democratic Party stands; I understand where the member stands as well. He has every opportunity to stand up and make his point of view known, as he has done in the past and I assume will continue to do in the future.

I want there to be no misunderstanding when that agreement is signed on January 2. Contrary to the views some people have expressed in this House that there may be some misunderstanding of where Ontario stands, let me tell members very clearly that the government of this province stands behind that resolution presented in this House.

**Mr. Brandt:** I am so pleased to hear that the government of Ontario stands behind a resolution that breaks with parliamentary tradition in this House and is totally unacceptable to either of the opposition parties, for different reasons, in that the government is attempting to direct a resolution to a committee which should at least have the opportunity to debate openly and very carefully and clearly this matter in committee without any direction from the government. Surely the Premier is not expecting us to believe that we need this kind of resolution, this kind of mock statement, put before this House in order to establish where he stands on the question.

Can I ask him why it is so important for him to have this resolution prior to January 2 when he himself, in response to a question by the Leader of the Opposition (Mr. B. Rae), indicated that there is no magic associated with the date of January 2. What is his hurry within the matter of the last few days to put this resolution before this House, recognizing we were going to debate this matter fully in committee?

**Hon. Mr. Peterson:** I think there is some confusion in the honourable member's mind and I would be very happy to clear it up. First of all, there is a resolution of the government before this House. It is not that resolution that is referred to the committee; it is a resolution of this House so the American government—

**Mr. Brandt:** Which is referred to a committee.

**Hon. Mr. Peterson:** It is not. The committee will pick up on that matter and it has the power to so do. They will pick up and start discussing the



free trade agreement at their pleasure. I am not sure if they have had any meetings already; they may have. They will conduct their own public hearings in the way they so choose with input from all sides of this House. I think that is an important part of this ongoing debate. It is not this resolution that is referred. The committee is picking it up on its own, as it has the power to do. I hope that disabuses my friend of his misconception in that regard.

Second, he asked me about the importance or the efficacy of the January 2 date. I do not think it is an important date, but the Prime Minister does, because that triggers the fast-track process in the United States. I want it to be very clear to the Prime Minister, the President of the United States and the appropriate officials where Ontario stands on this matter. Lest there be any equivocation, lest there be any sense that it has not been formally conveyed, I want that to be conveyed formally prior to that date.

That is why this debate in this House is so salutary, so wholesome. I think it is important that all members who so desire should have an opportunity to express their point of view, to read the copy of the text to each other, if they would like to, so that all members fully understand what we are involved in. I am persuaded, after they have listened to the powerful understandings of some of my colleagues, that they will perhaps come to the conclusion that they have made a mistake in this matter.

**Mr. Speaker:** New question. The member for Sarnia.

**Mr. Brandt:** I do want to thank the Premier for a rather convoluted, but interesting response to a question that I thought was very direct. I thought at the very least we could get a direct answer back.

Let me ask the Premier about a question I raised last week with the Minister of Industry, Trade and Technology (Mr. Kwinter). I am sure the Premier does not like to hear this because we do not have the opportunity to discuss this in committee in a rather unfettered fashion without a resolution that is going to inhibit the discussion of the committee, so we have to discuss some of these matters in the House, as the Premier can well appreciate. At that time, I indicated to the minister that big business, small business, the auto industries—particularly the Big Three—steel companies, all these groups were in favour of a trade agreement.

I also pointed out, and I know that the Premier does not like to hear this either, that seven out of 10 premiers in this great country of ours have

already indicated their support for a trade agreement. In response, his minister indicated that the people who care are opposed to the deal. Then he went on to indicate certain labour groups and teacher organizations and so forth.

Would the Premier now like to dissociate himself from the remarks of his Minister of Industry, Trade and Technology, who has indicated by reflection, if we look at his remarks, that seven out of 10 premiers in this country do not care about Canada, because that is exactly what he said?

**Hon. Mr. Peterson:** Just to keep my honourable friend's remarks completely accurate, I think it is not seven. It is six and three quarters who are in favour at the moment and three opposed.

**Mr. B. Rae:** Yes, and two and a half opposed.

**Hon. Mr. Peterson:** I am going to tell Howard Pawley the member called him a half. He is going to be very upset with the member.

**Mr. B. Rae:** No, no, no. Don't try that one.

**Mr. Speaker:** Order.

**Hon. Mr. Peterson:** I do my best to try to keep the socialists together right across the country. The socialists are falling apart, it is quite clear.

**Mr. Speaker:** Response.

**Hon. Mr. Peterson:** Let my honourable friend recite some of these groups that are in favour. He is quite right. A lot of those groups appeared in front of the honourable minister and his associates, putting their points of view forward. I understand that.

I am sure the honourable member will want to stand in his place today and say he was wrong when he cited last week that the auto parts manufacturers supported this deal, because they do not. They believe they will lose under that. I think he will want to clear that up, particularly because my friend is from Sarnia and southwestern Ontario, where there are so many automotive parts manufacturers who will probably face some harm under this deal. My honourable friend will want to make sure he fairly puts their position forward.

I recognize that there are people in favour of this. The motor vehicle manufacturers are. But as I said to the member last week, if I was an assembler out of Detroit, Chrysler, General Motors, Ford, I would be in favour of it too because it plays exactly to their interests of running the automotive business out of Detroit. I say that as kindly as I possibly can and I have said



it to them. It gives them a flexibility they did not have in the past.

I do not believe it is in the national interest and I believe we will pay a price over a long period of time for signing this deal. I am sorry that we disagree profoundly on this matter. We will have a discussion about the nature and the quality of the deal, how much we gave up as a country—

Interjections.

**Mr. Speaker:** Order; supplementary.

1430

**Mr. Brandt:** I have to say to the Premier that in his response to me, he indicated how very important, how critical, how vital this question was to the people of Ontario and to the people of Canada. If this debate is so important, important enough for the Leader of the Opposition to be here and important enough for me to be here and to discuss, as I went through my introductory remarks for a few minutes the other evening, some of the reasons why I support this agreement and why I support the concept of free trade, can the Premier indicate to the House why he has not spent more than a passing few minutes in this House at best during the course of the entire debate? Where has he been?

**Hon. Mr. Peterson:** It may come as a surprise to the honourable member but I do follow the debates that go on in this House. I listen to them and I read them, and I follow the points made by my honourable colleagues in this House. It may come as a surprise to the member—I am not sure—that I have other responsibilities as well in conducting the affairs of this province and I try to deal with them all as best I possibly can.

My honourable friend feels insulted that I am not here to listen to his every debate. Frankly, I say to you as kindly as I possibly can that a lot of your contributions are not worth spending a whole bunch of time listening to. They can be précised down into two or three lines and we can get on with other matters at the same time.

**Mr. Brandt:** That is quite the same attitude you took with the cabinet subcommittee. As long as they agreed with your point of view, it was just fine for them to appear before the subcommittee. I gather that anyone who appears in front of the finance committee would have to reflect your point of view because it would have to reflect your resolution. You know full well it would have to reflect your resolution.

To show you the kind of attitude, Mr. Speaker, that the members of this House—I very clearly heard the Minister of the Environment (Mr. Bradley) say that the only reason New Brunswick

supported this deal was it was bought off by the frigate deal. I think that is beneath your minister. That is exactly what he said. If he wants to deny it, he can stand up and deny it.

Interjections.

**Mr. Speaker:** Order.

**Mr. Brandt:** I have not asked the question.

**Mr. Speaker:** I appreciate that. I was waiting for your supplementary. However, I ask all members to place their questions and all members to place their responses through the chair.

**Mr. Brandt:** Through you, Mr. Speaker, I apologize for getting offtrack for a moment, but I was taken offtrack by the Minister of the Environment and his comment.

My final supplementary to the Premier is very simple. In order to get on with the business of this House and in order to deal with this question in a responsible and appropriate fashion, will he remove the resolution that his House leader has put before us and, if necessary, send a neutral resolution to the finance committee? He has a majority in the House. He has a majority in that committee. He will ultimately win the vote. I can count too and I know the numbers. Will he allow this House to get on with this business as it agreed to do and send a neutral resolution to the committee as he should have done in the first place?

**Hon. Mr. Peterson:** There is some misunderstanding and I want to clear it up. There is no resolution going to the committee. The text is going to the committee. There is a fundamental misunderstanding. I think the member will want to speak to his House leader in that regard and that will clear up the question. All that is going is the text. I think, if I am right, that the chairman of the committee is nodding his head; that is what is there. The resolution we are discussing in this House is not going to that committee. The resolution in this House is going to the federal government and to the government of the United States, so that they clearly understand the intention and will of the majority of the legislators in this House. That is what it is all about.

#### FUTURES PROGRAM

**Mr. R. F. Johnston:** Mr. Speaker, I have a question, through you, to the Minister of Skills Development over there.

**Mr. Rae:** Ah, goody-goody.

**Mr. R. F. Johnston:** There has to be a goody-goody in every crowd.



It is about the Futures program. In July 1986 the minister's predecessor said, "Futures has been an overwhelming success." In the estimates debate, the minister said: "Futures has been a phenomenal success in enhancing the employability of young people. Since Futures centres opened their doors across Ontario, we have served more than 75,000 young clients." For some reason or other, he did not say that 50 per cent of them never complete the course.

I have here the second-quarter statistics from his ministry about completion. Fewer than 50 per cent of the young men and women involved finish the courses, and until he brought forward the neutral category of outcomes, fewer than 50 per cent would even have had a positive outcome coming out of the program.

Can he answer me two questions today? What other training system, with a 50 per cent completion record, would consider itself an overwhelming success? How can he consider the following to be neutral outcomes: noncompletion, voluntary withdrawal; noncompletion, lost contact; and noncompletion, incarceration?

**Hon. Mr. Curling:** I want to thank the honourable member for his question. I want to respond to the member. During the estimates, of course, we went into detail and explained all of those criteria or things he felt he was not clear on. I thought he would have been quite clear on those matters.

Futures is a program designed to assist hard-to-employ young people to improve their employability through counselling and through skills and educational upgrading. The program has been tremendously successful. As I said, it has a phenomenal success rate. There are people who did not complete the program because they chose to go back to school. We regard that as a success. Some people just need a little hand up and some encouragement, as we said, through counselling. The member does not see that as a matter of success. I see that as a matter of success.

I have been involved with youth for years. Sometimes we feel that some people would need a three-year program or a six-month program in order to equip them for employment. Some people need less and sometimes they go on to the field of employability.

**Mr. R. F. Johnston:** That certainly explains why jail is a neutral outcome to these students.

This minister does not even know who it is who does not complete the program. He has no idea of the profile of those students. I know he will be as shocked as I am.

I presume the minister is aware of the Toronto Star article on the weekend which indicated that one of his new additions announced just before the election, the part-time work and part-time school approach, has been attacked by one of his administrators in the field who says he "has three youths in Hamilton on the program and in regional meetings it has emerged that not one centre has more than five using it."

Can the minister tell us which is the more significant problem? Is it the one Mr. Buttrum indicates in that article, that there is not enough money, that minimum wage and \$100 a week is not enough to interest these kids at this time; or is it more like the one in the briefing note the minister was given during the estimates around this question, which I happened to receive, that the schools and school boards around the province are not yet ready to administer this program?

Two items that are raised there are that some schools are unable to begin delivering the educational requirements in a timely manner, and some educational officials are reluctant to serve youths under 19 years of age. Which of those matters is the reason why this program is not working at all?

**Hon. Mr. Curling:** I should remind the honourable member that Futures is not an employment agency; it is not there to get jobs for the hard-to-employ. I stated earlier on what Futures is all about.

I presume we can play with statistics and then measure that. We know that 11 per cent of those people who have been through Futures return to school. I am also fully aware that 28 per cent retain the jobs that Futures was able to get for them. We also know that 31 per cent of those students or those clients go on to other employment. We regard that as a success.

The other matter he asked about, being criticized by one of the employers in Hamilton—

Interjections.

**Mr. Speaker:** Order.

1440

## TRADE WITH UNITED STATES

**Mr. Pope:** I have a question for the Premier. In the face of the opinion from members of the Liberal caucus that the new Liberal Premier of New Brunswick was bought off on the free trade deal by the purchase of some frigate contracts, I would like to ask the Premier his opinion about a couple of other matters.

The Premier is adopting the position that he wants this resolution adopted today to send a



clear message to Ottawa, I gather because he has not sent a clear message to Ottawa. I guess that is what he is saying. Given the effects of section 132 of the Constitution, which gives clear rights to the Parliament and government of Canada for the performing of obligations of the country or any province under any treaty, can the Premier tell me, in his opinion, which provisions of the free trade agreement can be implemented only by provincial legislation?

**Hon. Mr. Peterson:** My guess is the specific one at the moment would be with respect to wine. At this moment, I have no idea how the federal government will choose to treat that particular issue.

As the member knows, the free trade agreement deals with certain provisions with respect to wine markups, listing practices and other things. I think one of the points the Attorney General (Mr. Scott) made in his speech is that there are a number of areas of potential jurisdiction that have been affected.

Again, we cannot predict what would come along that would pre-empt some kind of dispute over jurisdiction for this province or others in the areas of energy, services, agriculture, resources and regional subsidies at some time in the future. But I think the specific one we are talking about at the moment is probably in the wine area.

**Mr. Pope:** I take it the Premier is just discussing some general subjects. My question was whether there were any specific provisions of this agreement that could be implemented only by provincial legislation. Obviously, he does not know.

Could he table any legal opinions that he has with respect to implementation? I say this because last Thursday we heard in an aside from the Minister of Industry, Trade and Technology (Mr. Kwinter) that he in fact has legal opinions with respect to the free trade agreement text that he has not produced, at the very time the Legislature is considering this resolution.

I do not know why he has not produced them. I do not know why he has not produced the details of the positions he took in 18 negotiating-committee meetings that his officials attended this year alone on this deal. He has not produced those either. Is he going to produce the necessary documentation so that we can have a review of the government's position and advice on this matter? What is he hiding?

**Hon. Mr. Peterson:** As I told the honourable member, the Attorney General is undertaking a constitutional audit now, looking at each section and the potential legal disputes in the future. That

will be clearly shared with the members. One of the problems he had is that he could not do a complete legal assessment on the basis of the preliminary text. He had to have the final agreement, because presumably there were problems that could be created and/or solved by the final text. Now it is there.

His constitutional team is working on it and as soon as it is available—we expect January or February, in that time line—we will give it to the honourable members for their further study.

**Mr. Pope:** On a point of privilege, Mr. Speaker: On Thursday the Minister of Industry, Trade and Technology said that those opinions existed and that he had them. The Premier is saying they do not.

Interjections.

**Mr. Speaker:** Order.

#### HAZARDOUS SPILL

**Mr. Miller:** I have a question for the Minister of the Environment. On Saturday, December 12, over 300,000 litres of bunker oil were spilled into Hickory Creek in the city of Nanticoke after a pipeline being used to pump the bunker oil to a cargo ship on Lake Erie from the Texaco Nanticoke refinery was punctured. Can the minister inform the Legislature of the status of the cleanup of the spill?

**Hon. Mr. Bradley:** Yes, I can inform the member that, first of all, there was no question of the spill not being attended to immediately. The member will know that despite some rather severe opposition to the spills bill when it was proclaimed by this government—that it would cause problems for many people—it has in fact established the legal responsibility up front. As a result, we have a situation where Texaco and the Ministry of the Environment were both on the scene immediately and the cleanup was commenced immediately.

There have been a number of actions taken by the company, Texaco. Those actions have been very closely supervised by the Ministry of the Environment to ensure there was not an escape of oil, for instance, into Lake Erie. The containment is largely on the property of Texaco, and in any of the subsequent work that is done, such as the excavation of the oil-contaminated area, that material will be taken back to the Texaco site.

**Mr. Miller:** What steps are being taken to ensure that a similar accident does not occur? Is there any assurance that any funds will be made available for damages to the farmers in the area?



**Hon. Mr. Bradley:** I can tell the member that the investigations and enforcement branch has been on the scene and has been conducting an investigation. Part of the things it does is collect water samples. At the present time, we are awaiting the results of the analysis. In addition to that, our officials are discussing with the company the pipeline itself, the texture of the pipeline and any operational problems that may have arisen, to ensure there is not a repetition of those kinds of problems.

As far as compensation is concerned, if anyone were involved outside of the property, the responsibility would be on the part of Texaco. They would go to Texaco to seek the appropriate compensation. If they have a problem with that, then they go to the Environmental Compensation Corp., which is in the position of settling those kinds of disputes.

In this specific case, which to my recollection is one of the largest spills I can remember in Ontario involving oil, all these matters have been looked after to the satisfaction of the member.

#### TRADE WITH UNITED STATES

**Mr. B. Rae:** The Premier said today how desperately he needs an unequivocal statement of where Ontario stands. If that were true, perhaps one could ask why he did not vote for our motion that was presented to the House over a month ago. But even in terms of his own resolution, I wonder if the Premier can explain the ultimate equivocation that is contained in the final paragraph of his own resolution, where he states, "the Legislative Assembly of the province of Ontario...will not be bound to implement those aspects which fall under provincial jurisdiction."

Could the Premier explain to the House why the resolution does not just say "will not implement"? Why does he add the words "will not be bound to"? Is he trying to weasel out of something there, as well?

**Hon. Mr. Peterson:** Not at all. I think it is quite clear on the face of it.

**Mr. B. Rae:** That is not clear and unequivocal. Would the Premier not agree that by failing to use the words—clearly the categorical words, the clear words, the everyday English words which we use—"will not implement," and by substituting other qualifying, weaselly, sucker-clause-type words which the Premier has put in—

**An hon. member:** Now you've got Scott's attention.

**Mr. B. Rae:** Perhaps I have counsel's attention now. Would the Premier not agree that it will still be possible for the province to

implement those aspects of the agreement in a year's time or a year-and-a-half's time or two years' time, whenever he decides with another shrug of his shoulders to say: "I don't know, guys. What do you think I should do? Maybe I should do it"? Is it not possible to say: "Oh no, no. We didn't say we wouldn't implement them. We only said we wouldn't be bound to implement them"?

Does the Premier not accept that there is a fundamental equivocation there, a kind of weaselly word, rather than a strong, clear, categorical word which he could have used?

**Hon. Mr. Peterson:** No. I do not accept that there is a difference in that regard. I think that is very clear to my friend. He thinks it is suckery or weaselly or whatever words he wants to use in that case, but I just say to him that is not the case at all. That says very clearly that we reserve the right not to implement things that are within our jurisdiction and we will not do so. It is very clear.

**Mr. Pope:** My question is to the Premier. Based on the response to that last question, we have yet another evolution of this government's position that it is going to reserve to implement or not to implement. That is exactly what the Premier just said to the Leader of the Opposition (Mr. B. Rae) in this House—another evolution of his position.

Last Thursday, the Minister of Industry, Trade and Technology (Mr. Kwinter) said he had legal opinions supporting the government's position on the text of the free trade agreement. Is he right or not? Does the Premier have those agreements, and if so, why will he not table them today during this debate?

**Hon. Mr. Peterson:** I appreciate the honourable member sharing his views. He will have to ask the minister what he said. He is at Mrs. Shiner's funeral and he will be here today, I expect, so the member should ask him that question.

As far as I know, we are doing a constitutional audit and we will be happy to share it with the members; no problem.

**Mr. Pope:** It is clear, then, this government either has opinions that it is not tabling, as the minister indicated last Thursday, or it has no legal opinions to base its opposition to the text of the agreement on. One or the other is true.

Given that this government participated in 18 meetings of the co-ordinating committee on trade negotiation since January 7, 1987, and since his minister is unable to table any documentation from those meetings to help in this debate, will the Premier now rise and put on the public record



his positions taken, as a government, for those 18 meetings during 1987?

**Hon. Mr. Peterson:** I do not know why my honourable friend would persist in that. I think he is a little paranoid, I say with great respect. The Attorney General (Mr. Scott) gave him the legal opinion publicly—all there for everyone to see—last week. What more could he possibly ask than that? We are happy to share that information.

#### APPRENTICESHIP TRAINING

**Mr. Faubert:** My question is for the Minister of Skills Development. I have been informed that the federal government is planning changes to the funding mechanisms for apprenticeship training programs. Can the minister advise if this is true, and if so, what is the nature of those changes?

**Hon. Mr. Curling:** The federal government has announced that as of April 1, 1988, it will fund apprenticeship programs under its skills shortages program. That is under their Canadian Jobs Strategy.

We have no problem with that. Under that program, though, there is a limited amount that would be paid for the portion of instructional costs in schools, the in-school costs. That will reduce the amount of funds that will be forwarded to that program.

We are concerned that at one stage the government of Canada is encouraging a training culture and expanding its training options, and in another stage it is reducing the in-school costs funding to these programs.

Yes, it is true they intend to do that. It is a proposal at this moment, and we hope they will consider it and give it the full funding costs that it so deserves.

**Mr. Faubert:** Will the minister advise the House what action he plans to take regarding this proposal?

**Hon. Mr. Curling:** I have written to the Honourable Benoît Bouchard in that regard to point out to him that this is not the direction to go. I took the opportunity too to share this information with the other ministers of labour adjustments, to say that this is not the direction to go, and I think he will reconsider this proposal.

As the member knows, what we have done in Ontario will be increasing our apprenticeship program from 40,000 to 60,000 people to be trained in the next five years. So we have moved and have also doubled our funding in Ontario's Training Strategy program to make sure that more people are trained in the workforce.

#### BEEF FARMERS

**Mr. Hampton:** My question is for the Minister of Agriculture and Food. During the fiscal year 1986-87, changes were made in the food additives at Ministry of Agriculture and Food bull testing stations. Beef farmers across Ontario believe they lost hundreds of thousands of dollars as a result of the adverse effects caused by the food additive changes at the bull testing stations.

The minister knows that most of the beef farmers in this province cannot afford those kinds of losses and they cannot afford to carry them for a great length of time. What is his ministry prepared to do on behalf of those beef farmers?

**Hon. Mr. Riddell:** A study committee has investigated the bloat problem in bulls at the various bull testing stations. They feel they have come up with the answer to the problem. But since there could well be a legal challenge in the courts, it would be very difficult for me to elaborate any further, other than to say that we feel we know what the problem is. We have already taken steps to correct the problem, but we feel it is going to be in the hands of the legal people.

**Mr. Hampton:** It is one thing to say there may be a potential legal problem. The fact of the matter is that his ministry set up a task force to study the problem. It started studying it last May, and his own officials indicate he has had the report for at least a month. Why has the report not been at least released to the beef producers of this province so they have some idea of what is going to happen, so they have some idea of where they stand and so they have access to this information? Why has he not released the report?

**Hon. Mr. Riddell:** I think I already answered that question when I was responding to the member's initial question. The fact of the matter is that the manufacturer of the product may well be challenged in the courts. It has been suggested to us by our legal advisers that the report not be submitted until we know exactly what is going to happen regarding the use of this particular product, which is apparently what caused the bloat problems in the bulls at the various test stations.

#### CONFLICT OF INTEREST

**Mr. Jackson:** I have a question for the Premier. Is it the position of the Premier's government that there should be one law for persons of heterosexual orientation and another law for persons of homosexual orientation?



**Hon. Mr. Peterson:** We are doing all we can to take discrimination out of our laws. If my honourable friend has a situation that we can make improvements on, he should please let me know.

**Hon. R. F. Nixon:** Is there a supplementary?

**Mr. Jackson:** The supplementary is a suggested improvement. If that is the case, I wonder why the Premier's new conflict legislation for members of this House applies to marriages and to heterosexual relationships but not to homosexual relationships.

Earlier this year, during the 33rd Parliament, the former member for St. George, Ms. Susan Fish, moved an amendment to the Premier's original bill that would have extended the law to cover homosexual relationships. In fact, on June 30, 1987, Lorrie Goldstein reported in his paper a conversation with the Attorney General (Mr. Scott). He quoted, "Scott told me...he would have had no problem supporting her proposed amendment regarding homosexuals."

This bill is currently going to be reviewed by the standing committee on the Legislative Assembly. It will be tabling that bill in its final form in this House, approximately February 8, 1988. Will government MPPs be directed by the Premier to support an amendment to ensure that homosexual relationships are not given a special exemption from his conflict guidelines?

**Hon. Mr. Peterson:** That is the whole object of the review in the committee. Frankly, I am not in the habit of ordering anybody to do anything; and any time I do, they do not obey anyway, so what is the point of it?

May I just say to my honourable friend it is not an amendment that I personally would be uncomfortable with. I assume that if the member opposite is part of the committee, or if someone else wants to move that, I think it is a very reasonable area for the committee to discuss. Whatever the committee decides, I would be comfortable with. I am comfortable with it if my friend wants to move it.

#### SUPPORT PAYMENTS

**Mr. Callahan:** I have a question for the Attorney General. There is an indication in the *Globe and Mail* today that a court ordered support payments for a deserted wife of \$1,000 a month. They total some \$100,000 in arrears. The husband was apparently in arrears to the Department of National Revenue, and the Divisional Court, in a unanimous judgement, found that Revenue Canada could take priority over the support payments to this deserted wife.

I would like to ask the Attorney General if there is anything that we can do within our jurisdiction to overcome such difficulties in the future, recognizing that the purpose of support payments is to look after women and children who have been deserted?

1500

**Hon. Mr. Scott:** I thank the honourable member for his question. As he knows, our Family Law Act, passed in the last parliament, provides explicitly that an order made in favour of a spouse or children will take precedence over any claim by the Ontario Ministry of Revenue. We have no capacity to bind the federal government in that way, of course, and the only remedy to avoid the kind of result that is evidenced in this case is to get Parliament to pass an act that says payments will take precedence over Revenue Canada's claims.

**Mr. Callahan:** In the light of the answer to that question, would the Attorney General press his counterpart in Ottawa to take such steps, recognizing the importance of support payments to both the deserted children and women in this province, and not allow Revenue Canada to jump in and actually overcome and divert those funds from those very needy people?

**Hon. Mr. Scott:** I will be glad to do so and I am sure all parties will join in that request, particularly the leader of the third party. Perhaps the next time the Prime Minister of Canada is here, the leader can use a couple of the minutes in his important meeting to bring this great inequity at the federal level to his attention.

#### AUTOMOBILE INSURANCE

**Mr. Swart:** My question is to the Minister of Financial Institutions. He will recall that about three weeks ago he made an announcement in this House that he was permitting auto insurance companies to increase their rates by 4.5 per cent effective January 1, which will mean about \$135 million to the motorists of this province. I remind him that at that time he said the information on which the raise was based was the same "as that available to all members of this House." Of course, the only information available to us was that the insurers had made record profits last year, which are up by another 50 per cent this year.

Can the minister confirm, first, that no actuarial study had been done to determine whether there was in fact any need for the increase and, second, whether any additional information has surfaced in the last three weeks to justify or negate this increase?



**Hon. R. F. Nixon:** I do not believe even the honourable member can inform the House as to the specific profit position that is associated with underwriting the automobile insurance part of the industry. I think he is also aware that when the rates were capped last April, many of the companies had gone without a raise for almost a year.

Interjections.

**Hon. R. F. Nixon:** I know this is something that stimulates the sensitivity of the socialists in this regard, but the member will also be aware that it was not possible for us to proceed with the legislation because of political incidents that intervened, such as an election. We have gone forward with the bill as expeditiously and efficiently as was possible, and we hope the committee will report it back to the Legislature for enactment in February, by the time the board is in place so that it can deal with these things. We felt that such an increase was justified under those circumstances.

**Mr. Swart:** I inform the minister that his own superintendent of insurance said last April 25 that rates had been increasing for the last year at about two per cent per month. Also, I inform the minister that new figures are out this morning from Statistics Canada showing the property and casualty insurance profits for the third quarter of 1987. They hit a new high of \$298.6 million, up 13 per cent from the same period last year. That means that in the first nine months of this year, those insurers made net profits of \$1.034 billion, more than they made in a whole year last year, and last year they made one third more than they had ever made in their history.

I suggest that this bloated pig has had enough. He does not really need another trip to the Liberal pork barrel. I ask the minister specifically, will he now give a commitment that the 4.5 per cent increase of January 1 will be postponed indefinitely until an in-depth examination is made to justify the need for that increase?

**Hon. R. F. Nixon:** No.

#### ROUGE VALLEY

**Mrs. Marland:** My question is to the Minister of the Environment. Last week, the Minister of Natural Resources (Mr. Kerrio) introduced the Conservation Land Act to encourage the preservation of areas of natural and scientific interest and to provide incentives to property owners to maintain the special features of these lands.

I am sure the residents of Scarborough would rather be applying for these grants to help preserve the Rouge Valley instead of spending

money fighting a government that speaks from both sides of its mouth.

I would ask the minister if he can see the inherent conflict in these policy directions and ask him to acknowledge his responsibility as the Minister of the Environment to protect the Rouge Valley lands.

**Hon. Mr. Bradley:** I do not see any contradiction in what the Minister of Natural Resources has had to say, which is a very progressive and enlightened policy he announced for the province of Ontario, one for which the people of Ontario have been waiting for a number of years and one which it took the present Minister of Natural Resources to implement.

With regard to the lands in Scarborough, as the member would know, I have indicated in the House previously that I will be bringing to the attention of the cabinet all the environmental considerations before any particular decision has been made.

She knows that governments balance off the need for various needs that come in the province of Ontario. The gentleman who sits beside her has on many occasions talked about the utilization of land for the purposes of public housing and low-income housing, because he recognizes that there is a significant situation in this province.

I want to indicate, as I have on every occasion, that I will be bringing to the cabinet the environmental point of view on this particular piece of property.

**Mr. Cousens:** Mr. Speaker, on a point of order: He really has not faced up to the answer that is needed for the people in Scarborough or the people from Markham who are concerned about the use of government lands, especially the Rouge Valley and his—

**Mr. Speaker:** Order. That sounds more like a point of view to me.

#### PETITIONS

##### THERAPY FOR ABUSED CHILDREN

**Mr. M. C. Ray:** I have a petition addressed to members of the Legislative Assembly from citizens of Windsor, members of St. Matthew's Anglican Church in south Windsor, urging the government of Ontario to fund sexual abuse treatment programs as mandatory programs of children's aid societies rather than as discretionary programs in the present.

##### LIQUOR STORE

**Mr. Kozyra:** I have today three petitions to introduce to the House.



The first is from residents of the town of Kapuskasing regarding the closure of the Liquor Control Board of Ontario outlet on Byng Avenue. The residents are opposed to this action.

#### SHANNON LAKE ROAD

**Mr. Kozyra:** In the second petition, residents of Hearst and area request that the Shannon Lake Road be kept open and maintained by the government of Ontario for recreational purposes for both the people of the region and tourists.

#### MOOSE TAG LOTTERY; REMOTE TOURIST AREA

**Mr. Kozyra:** Finally, I have a petition from a group of residents from the Cochrane and Timmins area. The petition is twofold. The residents oppose the present system of allocating moose tags for the hunting season. The group also opposes the Northern Ontario Tourist Outfitters Association white-paper proposal presented to this government to create a remote and controlled tourist area.

#### HELP CENTRES

**Mr. Harris:** I have a petition to the Honourable the Lieutenant Governor and the Legislative Assembly of the province of Ontario:

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"That this government recall that its opposition to the free trade agreement will cost thousands of jobs in Ontario;

"That this government note that almost 25 per cent of the older workers' help centres have closed in the last two years; and

"That the government reconsider the current funding formula for the York Help Centre in the city of York."

**Mrs. Marland:** I have a petition to the Honourable the Lieutenant Governor and the Legislative Assembly of the province of Ontario:

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"That this government recall that its opposition to the free trade agreement will cost thousands of Ontario jobs;

"That this government note that almost 25 per cent of older workers' help centres have closed in the last two years;

And that the government reconsider the current funding for labour and community services in Mississauga."

1510

**Mr. J. M. Johnson:** I have a petition to the Honourable the Lieutenant Governor and the Legislative Assembly of the province of Ontario:

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"That this government recall that its opposition to the free trade agreement will cost thousands of Ontario jobs;

That this government note that almost 25 per cent of older workers' help centres have closed in the last two years;

And that the government reconsider the current funding formula for the Centre for Employable Workers in Guelph."

**Mr. Cousens:** I would like to present this petition to the Honourable the Lieutenant Governor and the Legislative Assembly of the province of Ontario:

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"That this government recall that its opposition to the free trade agreement will cost thousands of Ontario jobs;

"That this government note that almost 25 per cent of older workers' help centres have closed in the last two years;

"And that the government reconsider the current funding formula for the York region help centre."

So presented.

**Mr. Jackson:** I have a petition to the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"Whereas the free trade agreement about to be signed between the Dominion of Canada and the United States of America will provide immense sectoral and regional economic benefits to the people of our nation, we, the undersigned petitioners, beg leave to petition the parliament of Ontario as follows:

"That the government consider the achievement of a free trade agreement with the United States to be considered consistent with our policy traditions as an independent nation state;

"That the government consider the significance of Mr. Mulroney's success in obtaining a precedent-setting, binding dispute resolution mechanism;

"That the government pay heed to the fact that Prime Minister Mulroney has concluded the largest and most far-reaching bilateral trade agreement in our economic history;

"That the government not forget that the General Agreement on Tariffs and Trade encourages and allows for bilateral freer trade agreements between signatories to the GATT;

"That the government observe that under the terms of the free trade agreement between Canada and the United States, shipments of



agricultural products between our two countries will no longer be subject to a burdensome, inefficient, redundant and unproductive \$300-per-truck licence fee;

"That this government note that the threshold limit for review of direct takeovers by foreign principals will be raised to \$25 million upon implementation of the agreement and to \$150 million by the third anniversary of the signing of this historic agreement; that is to say, Wednesday, the second day of January, 1991;

"That the government remain apprised of the fact that if a foreign-owned subsidiary is acquired as part of a larger acquisition by another foreign-owned company, that is to say an indirect acquisition, the aforementioned threshold level will be raised in several steps and review will eventually be eliminated;

"That this government, and in particular the Minister of Culture and Communications, note the following characteristics of the free trade agreement: that the free trade agreement recognizes the Canadian determination to ensure that Canadians continue to have access to their own cultural products and that the free trade agreement confirms that solid, firm, resolute, unyielding, vigorous and quite characteristically caring and responsive commitment to defend and promote our Canadian culture;

"That the government sense the significance of the fact that this nation has secured an undertaking from the United States of America not to introduce new quota restrictions on products that are central to Canada's agricultural production, including grains and oil seeds;

"That this government remember that the food processing industry in central and Atlantic Canada will benefit immensely from the undertaking of the United States of America and that there will be no new restrictions in the area of processed food with a sugar content that does not exceed one tenth of one per cent;

"That this government remain cognizant of the reality that the province of Ontario and the province of Quebec have retained intact their marketing boards and their supply management systems, particularly as they pertain to the entire dairy and feather industries, poultry, chicken, eggs, both brown and white, and all dairy, including ice cream, yogurt, buttermilk, cream, table cream, milk, cottage cheese, cheddar cheese and other cheese, milk chocolate and curds and whey; and,

"Finally, that this government abandon its narrow-minded, parochial, stick-in-the-mud, irrational, unreasoned, unreasonable and radically

and fundamentally incoherent and incomprehensible rejection of the free trade agreement and embrace the bold initiative of the Mulroney government for the sake of Ontario and all of Canada."

**Mr. Pollock:** I have a petition to the Honourable the Lieutenant Governor and the Legislative Assembly of the province of Ontario:

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"That this government recall that its opposition to the free trade agreement will cost thousands of Ontario jobs;

"That this government note that almost 25 per cent of the older workers' help centres have closed in the last two years;

"And that the government reconsider its current funding formula for the Unemployed Assistance Centre of Peterborough."

**Mr. Villeneuve:** I have a petition to the Honourable the Lieutenant Governor and the Legislative Assembly of the province of Ontario:

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"That this government recall that its opposition to the free trade agreement will cost thousands of Ontario jobs; that this government note that almost 25 per cent of older workers' help centres have closed in the last two years; and that the government reconsider the current funding formula for the Cambridge and District Unemployed Help Centre."

#### RETAIL STORE HOURS

**Mr. McLean:** I have a petition to the Honourable the Lieutenant Governor and the Legislative Assembly of the province of Ontario:

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"We believe in the importance of keeping Sunday as a common pause day so that all people may have physical, spiritual and social health. We are concerned about the quality of life and the wellbeing of the people of our province and we object to the further commercializing of life through the Liberal government's proposed Sunday shopping legislation."

#### HELP CENTRES

**Mr. McLean:** I have another petition to the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"That this government recall that its opposition to the free trade agreement will cost thousands of Ontario jobs;



"That this government note that almost 25 per cent of older workers' help centres have closed in the last two years;

"And that the government reconsider the current funding formula for the Lindsay Unemployed Help Centre."

## REPORTS BY COMMITTEES

### STANDING COMMITTEE ON SOCIAL DEVELOPMENT

Mr. Adams from the standing committee on social development reported the following resolution:

That supply in the following amount and to defray the expenses of the Office Responsible for Disabled Persons be granted to Her Majesty for the fiscal year ending March 31, 1988:

Office Responsible for Disabled Persons program, \$2,519,000.

### STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Mr. Laughren from the standing committee on resources development reported the following resolution:

That supply in the following amounts and to defray the expenses of the Ministry of Housing be granted to Her Majesty for the fiscal year ending March 31, 1988:

Ministry administration program, \$9,036,300; building industry and housing supply program, \$12,372,400; social housing program, \$230,019,100; rent review program, \$16,529,700.

## INTRODUCTION OF BILLS

### INTERNATIONAL SALE OF GOODS ACT LOI SUR LA VENTE INTERNATIONALE DE MARCHANDISES

Hon. Mr. Scott moved first reading of Bill 90, An Act respecting the United Nations Convention on Contracts for the International Sale of Goods.

L'hon. M. Scott propose la première lecture du projet de loi 90, Loi concernant la Convention des Nations Unies sur les contrats de vente internationale de marchandises.

Motion agreed to.

La motion est adoptée.

1520

### WINDSOR UTILITIES COMMISSION ACT

Mr. M. C. Ray moved first reading of Bill Pr62, An Act respecting the Windsor Utilities Commission.

Motion agreed to.

## ORDERS OF THE DAY TRADE WITH UNITED STATES (continued)

Resuming the adjourned debate on the amendment to government motion 8 on the proposed trade agreement between Canada and the United States.

**Mr. Pope:** It is a pleasure to be back today to continue this important debate that all three parties in this Legislature have participated in on a rotational basis. I know that debate will continue during the course of this week and next week as we deal with this most important fundamental trade agreement that affects the people of Ontario.

Lest there be any doubt, I want to reiterate a couple of points. First of all, we are sitting this week to debate this most important matter because the Premier (Mr. Peterson), as he said today during question period, wants to send a clear, unequivocal message to the government of Canada, the presumption being that he has not done so in the past, which is precisely the position the New Democratic Party, the official opposition, has been taking for some months now.

Second, I think it is clear that on the occasion of this most important debate the Premier himself has not been present or participated at all in this debate, not only with respect to the comments of the Leader of the Opposition (Mr. B. Rae), given when I was present and the Premier was not, not only with respect to the leader of the third party whose comments were given when I was present and the Premier was not, but the Premier was not even present when the Minister of Industry, Trade and Technology (Mr. Kwinter) led off the debate with respect to the Premier's own government's position.

**Hon. Mr. Kerrio:** Where is your leader?

**Mr. Pope:** My leader, I say to the Minister of Natural Resources participated in this debate. He thought it was important enough to be here and participate, which is quite different from the arrogance demonstrated by the Liberal government's Premier in this most important debate. I think it is also clear that the attitude of this government is deteriorating vis-à-vis others who have some thoughtful disagreement with this government on its position on the free trade matter.

Last week we had the fact that Frank McKenna, the newly elected Liberal Premier of New Brunswick, finally came on board and said



he thought, on balance, the free trade agreement was a good thing.

**Hon. Mr. Kerrio:** He came on board six frigates.

**Mr. Pope:** The Minister of Natural Resources has just said, for the record, exactly what the Minister of the Environment (Mr. Bradley) said during question period, that Mr. McKenna came on board for six frigates.

**Hon. Mr. Kerrio:** I didn't say that at all. I said he came on board six frigates.

**Mr. Pope:** The minister did.

**Hon. Mr. Kerrio:** Some people's ships come in and some people have six ships come in.

**Mr. Pope:** In other words, the Liberal Premier of New Brunswick is not recognized by the Liberal government of Ontario as having any integrity in his position on this free trade agreement. As the Minister of the Environment said, he was bought off for six frigates and the Minister of Natural Resources reiterates a relationship between the six-frigate contract and the free trade agreement.

If the Liberals want to take that position towards one another in this country, that is their business, but it shows us the kind of statesmanship that the Liberal government of Ontario has engaged in from the very outset of this free trade debate. Frank McKenna will be very anxious to hear the Liberal Party's comments in this province about the reasons for his position on the free trade agreement. He will be very interested in this government's interpretation of his whole process of decision-making and the people he consulted with, including the Premier of this province.

The Liberal Party of Ontario may not have respect for the Premier of New Brunswick, but we do. I think it is a disgraceful performance when two members of cabinet today cast aspersions on the newly elected Liberal Premier of New Brunswick. It is an absolute disgrace.

**Hon. Mr. Kerrio:** What are you talking about? It was a good deal. Don't cast aspersions.

**Mr. Pope:** I am not worried about their yelling or hooting, Mr. Speaker. They are ashamed of their position. I can understand that. The shame is spreading from one end of this chamber to the other over the Liberal Party's position vis-à-vis one of their confrères, a newly elected Liberal Premier in Atlantic Canada. That is the opinion that this Liberal Party of Ontario has towards him.

[Applause]

**Mr. Pope:** They may well applaud. They applaud to reinforce that attitude, which we do not think adds to a sense of nation-building that we require right now in this country. We do not think it adds to national unity when the Premier of this province at some future date will have to consult with the newly elected Liberal Premier of New Brunswick, Frank McKenna, on very important issues concerning the Constitution and national economic issues.

Now that the Minister of Industry, Trade and Technology is here, and we know why he was absent, I want to go back to a question that we raised with the Premier in question period.

The Premier denies that there exist legal opinions with respect to the free trade agreement text. He has denied what the minister said existed on Thursday of this week. I think we are entitled to an opinion. During the course of my debate, the minister said he had updated legal opinions which had examined the text of the free trade agreement.

**Hon. Mr. Kwinter:** That's right. I didn't say it was ready.

**Mr. Pope:** Oh, I see. He does not have any legal opinions ready. Now what kind of weasel words are those? He has legal opinions, but they are not ready.

**Hon. Mr. Kwinter:** On a point of order, Mr. Speaker: I think there should be a clarification. What had happened, as I am sure the member will know, was that on the Sunday after the free trade agreement came out—

**The Deputy Speaker:** That is not a point of order. It is a point of explanation.

**Hon. Mr. Kwinter:** Can I rise on a point of information?

**The Deputy Speaker:** Order, please. I recognize the member for Cochrane South. If others have a different point of view they may take their turn and speak afterwards. The member for Cochrane South.

**Mr. Pope:** Thank you. I do not mind if the Minister for Industry, Trade and Technology wants to clarify the record.

**The Deputy Speaker:** The member will address his comments through the chair, please.

**Mr. Pope:** Yes, thank you very much. I presume the minister is going to say he had verbal legal opinions given to him, but they are not in a documented form and therefore cannot be produced. The minister is nodding. Is that a fair representation? OK?

I want to deal with that because it is obvious, therefore, that this government, when we are



having this very important debate on this resolution which fixes this Legislature's position on the free trade agreement—the committee will not, but this resolution will, and that is why the Premier wants it, because he claims he has not fixed his position in the context of federal-provincial meetings or first ministers' meetings or any of his co-ordinating committee meetings that have been held over this year—has verbal legal opinions which have reviewed the free trade agreement, but nothing has been put in writing.

Therefore, he cannot table anything. There is no written documentation of any opinion which reinforces the Hogan opinion or the very first opinions given, not on the free trade agreement text itself, but on the 35-page general agreement document.

I say that is not an appropriate position for this government to take on this most important issue. It is the government which wants this resolution through because of some mythical timetable of January 2. It is the government which wants the members of this Legislative Assembly to take a position on the free trade agreement, and yet it has no documentation to table other than what it has already given us.

The government has done nothing with respect to Ontario's positions taken during the co-ordinating committee meetings. It has already agreed that it is not going to table documents from those meetings, as it cannot because of the understanding with respect to federal and provincial confidentiality and with respect to certain client groups from which it obtained information.

The fact of the matter is, I say to the people of this province, that this government wants this Legislature and them to take a position on this very important issue when the legality and the legal effects of this agreement are the primary issues and it has no written opinions it can share with the people of Ontario or with the assembly of the people of Ontario.

That means this government has not done its homework. It means it has not fixed its legal position with any certainty and it means it is unwilling to do so, and therefore is unwilling to table the documents, the facts, for the people of this province and the Ontario Legislature to examine.

I do not think that is appropriate. I do not think that is responsible government for one iota on this most important, unique opportunity. I reiterate to the people of this province and to the members of the assembly that the Minister of Industry, Trade and Technology admitted in

estimates that not only had the Premier of this province participated in first ministers' meetings where the free trade negotiations were discussed at length, not only had the Premier participated in meetings directly with the Prime Minister of this country on the free trade agreement, but his officials and officials of other government ministries had participated, from January 7 of this year alone, in 18 different sessions of the co-ordinating committee on trade negotiations. Ontario was in the room.

That becomes important when we look at some of the jurisdictional arguments proposed by the Attorney General (Mr. Scott). How can the government claim it has not been consulted? How can it claim the provinces have not been consulted, that there has not been the kind of federal-provincial communication that preceded the final constitutional accord in 1982-1983 when the facts say otherwise, when the Premier has engaged in first ministers' meetings on this issue, when officials from the Ministry of Industry, Trade and Technology and many other front-line ministries have participated in the detailed negotiation with respect to the text and the matters to be covered by the free trade agreement?

In spite of what this government said, in spite of the hopes of the opposition that the government would not participate in any negotiation of this agreement or the detail of it at all, it is clear that the government has. It has enmeshed itself in the process and removed any framework of constitutional challenge based on nonagreement. It is clear that this has taken place.

**1530**

I say to the Chairman of the Management Board of Cabinet (Mr. Elston), who is shaking his head, that his own Minister of Industry, Trade and Technology in estimates last week indicated that on 18 occasions this year alone his officials and the officials of this government negotiated the details of this comprehensive trading arrangement with the United States of America. It is clear that the Premier attended first ministers' meeting after first ministers' meeting. He can shake his head in the negative all he wants; the facts are there, on the admission of his own ministers on the record.

I want to turn my attention to the Attorney General's speech to the bar association and what I call the last judicial retreat on this matter. In fact, it is a desperate last judicial stand on this matter, which is evidenced by the Attorney General's comments last week. It is a judicial last stand if I have ever seen one.



It completes the retreat from constitutional veto, it completes the retreat from refusal to implement and it completes the retreat that the Premier began in question period in this House last week when he said, in the very same sentence, first, that he did not think the treaty itself, the agreement, was referable to the Supreme Court and, second, even if it was, we would not win the reference. On the one hand, he says it is not referable; on the other hand, in the same sentence, he says it is, but we would lose.

Then he says a most curious thing: they would have to see the wording of the enabling legislation in the federal Parliament before they would decide whether or not there is any provincial challenge to that enabling legislation. That is the ultimate and total capitulation of the argument that was given by the Premier over so many months, that somehow the Liberal government of Ontario had some sort of constitutional challenge in the wind that would stop this dead in its tracks. While they were saying that, by the way, they were participating in the negotiation of this document.

I would like to refer to the remarks of the Attorney General to the Canadian Bar Association, Ontario corporate counsel and business law section. The speech was given on Tuesday, December 15, 1987. It is a rather curious document which I think deserves some examination in detail.

First, I do not pretend to have the self-professed expertise that this Attorney General does, but I have been an Attorney General. I have examined a number of the constitutional arguments. I have been engaged in the practice of law and I would like to say in all kindness to the Attorney General that any examination of this document, as has been undertaken over the last few days by constitutional law experts, indicates not only that the Attorney General and this government's position is definitely a minority position with respect to constitutional law principles but also that it is a judicial last stand and a retreat of Ontario's previous proud position.

**Hon. Mr. Elston:** Is that what Simon Reisman says?

**Mr. Pope:** It is more than Simon Reisman, I say to the Chairman of Management Board. It is experts who have been consulted by the media and by different organizations in this province. It is directly in conflict with two considered opinions, by Fasken and Calvin and by Fraser and Beatty, that were tabled in this House last week, and it is directly in contradiction to the

prevailing weight of scholarly opinion on matters related to constitutional law.

The Attorney General has yet to participate in this debate and explain his constitutional position. I presume he will do so. I welcome his involvement in this debate because I think he owes an explanation to the people of Ontario.

On page 3, the Attorney General indicates, "I would characterize the proposed trade agreement as a constitutional document." In his own words, it is a constitutional document. "Consider the following...it touches on virtually all aspects of governmental activity, from economic regulation to taxation to subsidies."

That is his point of view. That is not a point of view shared by the federal government; that is not a point of view shared by this Legislature. In fact, this treaty touches no more on virtually all aspects of government activity from economic regulation to taxation to subsidies than any other international treaty that is signed from time to time by any federal government. That is the truth of the matter. It has no unique application. It is a major document, but it does not touch on virtually all aspects, to quote the Attorney General.

He indicates, "The proposed agreement imposes new constraints on what Canadian governments can do for people in the future." Surely that is a position that cannot be defended in light of the exemptions for the cultural industries and in the light of the exemptions under the energy provisions of the free trade agreement which it allows. It allows the Canadian government to intervene when there is a shortage of domestic supply, when there is a problem with respect to price, or when there is a need for conservation. Surely it does not stand examination of the text of the free trade agreement. That opinion does not stand in the face of any kind of examination of the free trade agreement. We have to presume that either the Attorney General was generalizing or he had not examined the text when he made that statement.

The agreement does not impose new constraints on what Canadian people can do for people in the future. That is not true at all. It is no more constraining of the federal government than a countervailed duty application or a quota application or a congressional trade bill. It deals with matters of trade. Whenever you have action with respect to trade emanating from one jurisdiction or another, of course you have some influences or some effect vis-à-vis state, provincial and federal governments, but this is no



different from any of that. Therefore it is not unique in that circumstance.

He indicates that "the free trade agreement is an erosion of our ability to govern ourselves that would be extremely difficult to reverse." It is no more an erosion of our ability to govern ourselves than any other countervailed duty application, any other congressional trade bill, or any other action taken in any other jurisdiction that may have an impact on exports from Canada to another marketing jurisdiction resulting in layoffs or other problems within the exporting jurisdiction. Therefore it is not at all uniquely an erosion of our ability to govern ourselves that will be extremely difficult to reverse.

In fact, the text of the free trade agreement itself is even better, *vis-à-vis* our own sovereignty and our own abilities to implement national and provincial programs than the 35-page text. So if anything, the impact of some suggestions that the Premier has made, the impact of some of the criticisms of the general pact itself when it was signed, have been reflected in the final text. That is clear from anyone's reading of that text.

The Attorney General says: "The federal government has assumed the obligation to ensure that the provinces comply with the agreement. This will involve a duty on the federal government to interfere with actions taken by provinces within their jurisdiction."

The only concrete example that the Premier could give today was wines. It is clear that this government is moving to implement the General Agreement on Tariffs and Trade ruling in any event and the GATT ruling had virtually the same effect as the provisions of the free trade agreement. So in the only specific example that the Premier could come up with today in question period, he is already getting implementation of that policy in any event. The argument is 10 years versus 12 years. A 12-year implementation of the GATT recommendation is 10 years under free trade.

There is no different obligation of the federal government than that recognized by section 132 of our Constitution: "The Parliament and government of Canada shall have all powers necessary or proper for performing the obligations of Canada or any province thereof as part of the British Empire towards foreign countries arising under treaties between the Empire and such foreign countries."

That obligation to implement on behalf of the federal government and the province already exists in our Constitution. There is nothing unusual or unique in a free trade agreement or

any treaty having some power *vis-à-vis* the federal jurisdiction over the provincial jurisdiction, no change whatsoever. That has been clearly dealt with in this country in basic constitutional law texts for the last 100 years.

For the last 100 years in this country, there has been a clear recognition that the federal government has the power to implement treaties and, in doing so, may in some fashion or another impact on the provincial jurisdictions. It is clear constitutional law. Laskin, the casebook on constitutional law, Hogan on constitutional law, turn to any constitutional law text and that is clear. So there is nothing unusual in the Attorney General's statement that he makes as a supposed attack on the free trade agreement.

#### 1540

Next, the Attorney General says the agreement amounts to a constitutional amendment and, "in my view, *de facto* constitutional change—and a constitutional change of very significant magnitude."

Using that rationale, any federal law, any provincial law, any treaty, any arrangements between provinces would constitute constitutional change. The fact of the matter is that this is a treaty with respect to trading matters and it is no different than any other treaty that deals with trading matters, other than the scope of it because we are dealing with our major customer that takes such a great percentage of our exports.

He now issues the following hypothesis on page 5 of his statement, "Ignoring the principles of federalism, the federal government has attempted to bargain away our powers," i.e. the province's. That is absolute nonsense. In paragraph after paragraph of the text of the free trade agreement itself, there is a specific recognition of constitutional authority wherever it may fall, *vis-à-vis* energy matters, *vis-à-vis* cultural matters, *vis-à-vis* financial institution matters. It is clear that it is all there.

There is nothing different in the text of this agreement with respect to the federal government's powers to pass enabling legislation for a treaty and to implement a treaty than is found in section 132 of our Constitution; nothing different. There is an obligation on both federal governments, United States and Canada, to ensure compliance with this treaty, and this government participated in those negotiations. It was at the table. It dealt with all of these issues. It had its say, as did other provinces, and seven out of the 10 provinces support this agreement.

They support this agreement, in spite of the Attorney General's opinion that the federal



government has bargained away provincial rights. Seven out of 10 premiers disagree with him and support the agreement.

**Hon. Mr. Elston:** They weren't at the table. Get your stuff straight.

**Mr. Pope:** The Premier participated in this matter from the beginning. He was informed about progress in the negotiations from the beginning, and his officials participated in every single continuing committee on free trade negotiation meeting that was held in this year.

**Hon. Mr. Elston:** Get your facts straight.

**Mr. Pope:** The Chairman of Management Board can disagree all he wants. He disagrees with his own Minister of Industry, Trade and Technology.

The Attorney General next says, "The only provisions which are acknowledged to be within provincial legislative jurisdiction are those dealing with wine," the first federal claim being that the agreement is 97 per cent within federal jurisdiction. The Attorney General sets that out as a hypothesis emanating from the federal government in order to attack it. This is his comment. When the federal government says this agreement is 97 per cent within its jurisdiction and the only matter within provincial legislative authority is wine, he dismisses that claim by the federal government.

Guess what the Premier of this province said today in his reply in question period? When I asked him what provisions of the free trade agreement could be implemented only by provincial legislation, guess what he said? The only specific example he had was domestic wine. He adopted the federal position that the Attorney General last week tried to discredit.

How is that for a turnaround? What kind of a circle in logic is going on in this Legislature and in this government with respect to the free trade agreement?

**Mr. Fleet:** That's utter nonsense.

**Mr. Pope:** His answer today in the Legislature, I say to Lord Fleet of Swansea, was exactly the federal position that the Attorney General attempted to discredit last week. Exactly.

The Attorney General goes on: "The second federal claim arises from and depends upon the first. Since the agreement supposedly deals with matters under federal legislative jurisdiction, the federal government claims it has the constitutional right to sign and implement the agreement unilaterally, regardless of provincial objections."

Both these claims, he wants to suggest, are "insensitive, confrontational, misleading and, at worst, simply wrong."

That is the Attorney General's comment on the federal position, a federal position adopted by the Premier today in question period in reply to my questions about provincial enabling legislation.

I want to say it is clear, with seven out of the 10 provincial governments on side, the federal government has engaged in precisely the process the Supreme Court of Canada indicated was appropriate when it made its ruling on the proposed Constitution Act in 1981. This Premier, knowing the legal implications of that, proceeded merrily along. In attending first ministers' meetings, in participating in the bargaining sessions, participating in the coordinating committee sessions, this Premier and this government, in spite of the opinions and suggestions of the New Democratic Party, knowingly embarked on a course of conduct over the past year and a half that removed any constitutional challenge on the basis of noninvolvement of Ontario. The government has done exactly that. It is well documented, my friend the Chairman of Management Board, that this government has done exactly that.

So there goes the constitutional challenge on the treaty itself. There goes the argument of the Attorney General on the constitutionality or on the fact that this agreement de facto amends the Constitution, because the government has participated in the very process that can be likened in a court of law to a constitutional amendment process. It can be likened. When there are seven out of 10 provinces on side, all with reservations perhaps, there goes the last vestige of even an argument in equity over a challenge of this treaty on a constitutional basis.

The Attorney General, on page 7 of his remarks, indicates, "In my view, the proposed trade agreement deals very substantially with matters falling under provincial jurisdiction." Yet, I have looked very carefully through the balance of his text and I can find no specific references to provincial jurisdiction or provincial activity that he claims the trade agreement deals with very substantially; no specifics, no detail and therefore no kernel of an indication to this Legislature or the people of Ontario as to what enabling legislation will be challenged by Ontario, what aspects of the agreement will be challenged in the court. There is nothing at all and yet this government wants us to adopt a position opposing the free trade deal and to hear



the Attorney General, we should oppose it on constitutional law grounds.

I say the case has not been proven. I challenge the Premier and the Attorney General to participate in this debate and put on record the detail of where provincial jurisdiction is impacted, what provincial laws would be necessary to implement the free trade agreement and what the very nature of the specific detailed challenge of Ontario to this agreement or to the enabling legislation will be? I have yet to hear this from either the Attorney General or from the Premier of this province.

On page 8, the Attorney General indicates: "The power that is being stripped from the provinces is not being given over to the federal government. Instead, it is being lost by both levels of government. In the future, Canadians will be unable, in a practical sense, to call on any government to do any of the things prohibited by this agreement."

That is precisely the argument that I attempted to address last week and the Attorney General's words here are as impractical and uninformed as the principle was when it was first advanced by this government. Any power is lost by any level of government when you have a countervail, when you have a quota, when you have a congressional trade bill that impacts on Canadian exports or Ontario exports to the United States. It has an impact on the people, it has an impact on the governments and therefore this agreement is no different in that sense than any other agreement.

For the Attorney General to say that power is being lost by both levels of government shows that he has not examined the trade dispute resolution mechanism, the binational panel. He has not proposed any changes to strengthen it. He has not examined the different matters which are excluded from the purview of this agreement and I presume from enabling legislation when it has been introduced and I do not think it is a position that the government of Ontario can now defend.

The Attorney General next says that the clauses in the agreement mean that the provisions of the agreement apply to provinces unless the provinces are specifically exempted. Provincial laws are now subject to challenge on the ground that they violate the terms of this agreement. My friends, provincial laws were subject to challenge in American courts of law because they have violated American trade law and the Crown Timber Act and crown dues and stumpage fees and subsidy supports for various industries, like potash, have always been the subject of chal-

lenge in other jurisdictions. Rulings of the International Trade Commission, rulings of the Secretary of Commerce, bills in the American Congress and rulings by the Supreme Court of the United States always challenge provincial and federal laws in an exporting jurisdiction where that impact is going to be felt.

#### 1550

Surely we now have progress in that area. The decision is not going to be made in a Washington court of law or in the ITC offices in Washington. There is a binational panel with binding powers. You may argue about the specific provisions of article 1904 of the agreement and the various paragraphs of it, but it is clear, and the prevailing legal opinion is, that we have a binational panel system which vastly improves the ability of Canadians and of provincial governments to have a say in the ultimate resolution of trade matters. Therefore, contrary to the opinion of the Attorney General, provincial laws and federal laws are less subject to challenge under this agreement than they were under the existing status quo. Clearly, he is wrong.

The Attorney General as well attacks other aspects. I quote from page 12 of his speech: "Other explicit references to the provinces appear in the definition of 'national treatment' for both goods, services and investment."

I specifically indicate that there is a difference between federal treatment of these issues and national treatment of these issues. A national treatment of these issues involves provincial agreement and federal agreement and, at the very least, having dealt with some of these matters before, all provinces in agreement and presenting a position to the federal government. That will not change under this agreement.

That spirit of co-operation will continue, except for the efforts of this current government to undermine that with its statement about Frank McKenna and other premiers of this country who are taking informed positions in good faith on the free trade agreement and who have not, contrary to the opinion of the Minister of Natural Resources (Mr. Kerrio) and the Minister of the Environment, been bought off with federal government contracts for frigates.

Then the Attorney General, on page 13, goes on to use what the Leader of the Opposition has called qualifying phrases or weasel words. He does not come to a final and clear, succinct definition of the provincial government's limits on power. He says, "Further, it remains unclear whether provincial attempts to limit the rate of production of a resource could be limited."



It is unclear. This is the Attorney General of Ontario who is trying to give us some direction, give the people of this province some direction with respect to this free trade agreement, and he says it is not clear what the impact of this agreement will be on provincial government resource laws.

With respect, if that is the position of this government now, why does it today want a resolution condemning the agreement when it is unclear as to the impact of it?

He also goes on to say:

“An important goal of provincial regulation in this area has been consumer protection. In some instances, consumer protection takes the form of restrictions on the right of persons who are not resident in the province to carry on business here. Travel agents, for example, must be residents of Canada in order to be registered in Ontario. Other consumer protection measures restrict the amount of foreign ownership in certain companies. Collection agencies in Ontario cannot be more than 25 per cent foreign-owned.

“In future, these sorts of provincial consumer protection measures will be subject to the agreement.”

This from the same government that only a few months ago opened up the securities industry to Americans and other foreign companies. The same government that took that position now seeks to hide behind this. It is not clear from the text of the agreement—and the Attorney General is not saying that—it is not clear that the provincial government may no longer enact consumer protection legislation. But it is the same kind of generalized, irrational attack on the agreement that is not founded on the basis of the wording of the text or on any legal opinion at all that has been tabled by this government. There is no indication of those kinds of concerns or those kinds of problems.

Here is the *pièce de résistance* on this whole matter:

“But the investment chapter of the agreement makes creation of any future schemes subject to a requirement to provide ‘prompt, adequate and effective compensation’ to the privately owned companies which might be affected.”

He is talking about public insurance schemes. Does that mean the Attorney General of this province is advancing the proposition that if there is any government takeover of automotive insurance schemes or health schemes or public insurance schemes, it is not going to provide prompt, adequate and effective compensation to

privately owned companies that might be affected?

Is that what the Attorney General is advancing as a reason to frustrate or to veto the free trade deal or to not implement it, that this government may move in the future into public insurance and will not compensate those privately held companies that will be affected by it? That is what he is saying. That is one of the bases of his challenge on page 15 of his speech. I find that unacceptable. Even if he thinks it is a problem for the province, I find it unacceptable that would be the rationale for that particular challenge of the free trade agreement.

More equivocation or qualified opinions follow on page 16 of the Attorney General’s speech.

“The provinces currently have the right to promote and encourage small businesses by providing tax breaks, grants or other incentives. Some of these laws target the benefits to Canadian-owned businesses in order to maximize economic benefits for Canada. In future, such laws may be subject to challenge on the grounds that they constitute ‘unjustifiable discrimination’ between investors.”

That is a rather interesting statement, because he does not say that they will be challenged under the text of the free trade agreement. He is speaking as the Attorney General. He is giving legal opinions to the Canadian Bar Association. He is not saying they will be challenged; he says they may be challenged. And he does not give the basis for that challenge founded in the text of the free trade agreement at all.

On page 17, the Attorney General goes on to say:

“The legal text contains a new provision not in the preliminary transcript. That provision allows the United States to challenge and retaliate against any existing or future provincial measure that causes ‘nullification or impairment’ of any benefit it reasonably expected to receive under the agreement.”

That is no different from the provisions that now exist in United States trade law to challenge and retaliate against any existing or future provincial law that causes some impairment or harm to an American interest. It is no different from the existing status quo with respect to trade law in this country. In fact, we have a binational panel which improves it.

From page 18 of the Attorney General’s comments:

“The problem with this claim is that it ignores the most basic principle of federalism. This principle is that one order of government should



not have the power to bargain away the power or jurisdiction of the other without consent."

Clearly, the Prime Minister has engaged in a process that the Premier knowingly embarked upon, of consultation and negotiation with all provincial governments. In fact, seven of the 10 governments, through various stages of qualifications, are on board. It is Prince Edward Island, Manitoba and Ontario that are not. Clearly, there is a consensus within this country for the implementation of this agreement, if we look at the various levels of government, the jurisdictions. Seven of the provincial governments are on side, along with the federal government, we presume.

There has been an attempt made in the negotiation process to seek the informed advice of provincial governments and to put changes into the final text of this agreement which reflect provincial concerns. I think it is clear that is the basis the Attorney General is advancing, namely, that Ontario has a unique right in the presence of a majority consensus of all other provinces in favour of the agreement. With seven out of the 10 provinces on side, is the Attorney General seriously advancing the proposition that, because Ontario did not approve, that this deal cannot go ahead, that it is subject to constitutional challenge on that basis?

Is that the position of the province of Ontario? Is that what nation-building means to the Liberal government, that Ontario alone will dictate? Is that something like saying, as the Minister of Industry, Trade and Technology said, "If it is bad for Ontario, it is bad for Canada?" Is that the concept of nationhood that the Liberal government of Ontario is now advancing in this House and through the Attorney General's words, that if Ontario does not agree, the deal is off? Surely not.

Surely the consensus among provincial premiers holds sway. Surely the attempts of the federal government to seek the advice and to amend the documentation on the basis of provincial concern meets that concern. The Attorney General's text is clearly in error with respect to any informed judicial opinion and, I predict, the Supreme Court ruling with respect to the proposed Constitution Act.

**1600**

There is a discussion by the Attorney General of that reference to the Supreme Court of Canada with respect to the proposed Constitution Act in the judgement that came down in September 1981. The Attorney General said:

"The court said that established constitutional convention requires significant provincial consent to the federal reform proposals. In the court's view, in matters of constitutional reform, each level of government should exercise its legal rights in ways which respect the jurisdiction of the other."

I want to reiterate the first sentence of that quotation: "The court said that established constitutional convention requires significant provincial consent to the federal reform proposals."

Seven premiers are on side. Is that not significant provincial consent? Is that not significant? Most of the major economic groups in this province are on side. We read their quotes into the record last Thursday, and I am not going to do it again. But most of the major economic groups and industries in this province are on side.

From where is the province of Ontario speaking? For whom is it speaking? These are interesting questions. Certainly vis-à-vis the position of organized labour and the position of the New Democratic Party, the official opposition, the Liberal Party is not speaking for them because it will not take a specific concrete position on this matter. As the Leader of the Opposition said, they are using weasel words so that they can keep their decision in abeyance until some future date when they have analysed it all. They do not speak for them.

They wanted a strong, clear position from the outset. They wanted Ontario to veto the deal and not participate. The Liberals did not do that. Therefore, they have defied the position of the official opposition and the constituents that they and the member for Hamilton East (Mr. Mackenzie) will speak for in a few minutes.

Who do they speak for? They do not speak for the economic groups who last week clearly destroyed any last vestige of economic argument of disaster for the province. I do not think they speak with respect to the Constitution because they are in full-scale retreat there. Who are they speaking for, except for themselves?

There is a clear, national consensus emerging, and even if they were not on the side of the national consensus, they have not articulated or spoken strongly for the other point of view, as many have requested they do. In my view, by participating in the negotiating process, they have undermined the constitutional arguments of the Attorney General as set forth on pages 21 and 22 of the text of his speech to the Canadian Bar Association, Ontario section.



I think it is clear, and I want to quote from the Attorney General's statement on page 25, that in fact the government of Ontario is taking a position that unless Ontario agrees, even if there is a national consensus, this treaty cannot be implemented. From Page 25:

"As for trade matters under provincial jurisdiction the government was committed to defining positions 'that all provincial governments support and are ready to implement.'"

If that is the case, perhaps the Attorney General and the Premier, whom I challenge to participate in this debate, can indicate what positions they were prepared to support and were ready to implement on this agreement. If the position is that there is an obligation on the federal government to ensure that all provinces complied, that all provinces supported certain defined positions and were ready to implement them, what positions did Ontario take in detail during those 18 negotiating committee meetings?

I say to the Minister of Industry, Trade and Technology, who was not here for question period today, for good reason, that the Premier in question period today indicated that he would immediately produce the positions that Ontario took on those 18 negotiating committee meetings that were held since January 7 of this year; not the documents that the minister says he cannot produce because of an agreement of confidentiality, not the documents supplied by other interest groups that might have some economic implications if they were to be released, but the positions that the government of Ontario took during those 18 negotiating meetings. The Premier said he had no problems with telling us what they were, but he did not tell us what they were.

I would hope that some spokesman for this government, during the course of this debate, will put on the record in detail, so we and the opposition party can examine exactly what the government said in private during these negotiating committee meetings; not what it says publicly for home consumption but what it said in private during the course of those negotiations.

Again, the Attorney General is waxing eloquent near the end of his speech:

"If the diverse needs and interests of all Canadians in all parts of the country are to flourish, then governments must exercise restraint and promote mutual respect in their dealings with one another."

What is to be done?

"In view of these very serious concerns regarding the constitutional propriety of what is being proposed, the Premier has requested a

detailed review of the implications of this agreement for the powers of provincial governments. I expect to receive shortly this constitutional audit. I will also ask my colleagues, the attorneys general for Canada and the provinces, to review this matter on a priority basis so that the concerns I have raised can be fully addressed."

That is it. That is the response of this government to the constitutional challenge. That is the bottom line. Having started out by saying Ontario had a veto, having started out by saying Ontario can frustrate implementation of this agreement, the bottom line now is that it did not have a fixed constitutional opinion going in; it is now going to try to get one by way of a constitutional audit, and it is going to consult with other attorneys general in Canada and other provinces.

Some hard-line position that is. There is going to be consultation and a constitutional audit. What a turnaround from a government that boasted just a few months ago in the course of a provincial election that it would fight strongly for Ontario's interests, that this free trade agreement would not meet its tests and therefore it would not implement or support it. We now are going to have some discussions on a federal-provincial level with attorneys general, and someone is eventually going to do a constitutional audit of the constitutional law issues that confront this government, because it does not have one now.

The strategy of this government with respect to the implementation of the free trade agreement is a shambles. It has lost the argument on the economic front; it has lost the argument on the federal-provincial front; it is losing the argument on the constitutional front. This statement by the Attorney General gives clear evidence that this government is in full retreat in virtually every aspect of this free trade agreement.

I want to indicate that a clear reading of section 132 on the treaty powers of the federal government, a clear reading of constitutional law by others than myself, indicates that not only does the federal government have the right to enter into treaties on any matters, but it has the right to introduce enabling legislation and to ensure under section 132 that the provinces adhere to those treaties. There is no special wording in this free trade agreement that is any different from that provision which is part of our Canadian Constitution.

It is clear that this is a treaty. It is clear that enabling legislation will be passed. It is clear that the Attorney General, speaking on behalf of the Liberal government of Ontario, has started a



final, total retreat from the constitutional position that was taken during the election campaign. It is clear, from the Premier's own words in question period last week, that this government has not even decided whether it would challenge any specific enabling legislation whatsoever on this agreement. In fact, it is not even sure that this treaty has to be enacted or put in place by any provincial law whatsoever, except perhaps for wine, where it is putting it into effect anyway.

**1610**

Because this government is in such disarray on this most important matter, in all kindness I suggest that it go back and do its homework with the economic and industrial groups and with the labour groups of this province and get a real fix on the consensus with respect to this agreement; that it go back and do its homework with the other premiers whom it has attacked as not caring—to use the words of the Minister of Industry, Trade and Technology—and whom it has attacked as being bought off by frigate contracts; that it go back and do its homework and try to be a positive force now in nation-building in Canada with this free trade agreement, instead of publicly staying outside the door and pouting, but privately going along with it every step of the way.

It cannot play it any more. It has no credibility any more if it continues with this course of action. It should get off the fence, come clear with the other premiers and the other provincial governments. It should talk to the other economic groups and committees and should not fight with them in the cabinet subcommittee on trade and challenge their opinion, as I have seen from time to time on television. I think they have more experience and more expertise in their various fields of endeavour than the cabinet ministers, with the greatest of respect.

Therefore, they should be listened to because they are the ones who are going to feel the impact of this agreement, not people sitting in the cabinet room down the hall from these chambers. It is they, and they have made an informed decision in favour of this agreement, a decision this government refuses to listen to. I think it is improper for a provincial government to take that attitude.

I believe one of the Liberal members talked about section 92, and I would like to as well. Since he raised it, I think it deserves some addressing. I would like to say a few things about the traditional jurisdictional powers of federal and provincial governments.

With respect to the scope of the federal trade and commerce power, I think it is clear that the

traditional interpretation of this federal head of power, as found under the Constitution Act and previously in the British North America Act, is now in flux. There was a very restricted interpretation 100 to 150 years ago of the federal jurisdiction in matters related to trade and commerce. You could talk about the local prohibition case, which the Attorney General has been wont to rely upon as the most literal or restrictive interpretation on federal trade and commerce powers, but it is not the status quo and the Attorney General knows it. He does himself no credibility in citing it in trying to make his argument with respect to provincial powers in this matter.

The initial judicial interpretation or posture taken by the courts with respect to the scope of the federal trade and commerce power was given in the context of provincial legislative initiatives and in the absence of federal legislation or federal action on these matters. It was not given in the context of federal legislative initiatives at all but in the absence of those federal initiatives. That is a very important distinction with respect to constitutional law findings, as the Attorney General, if he were here, would tell us.

The provinces were passing laws in a legislative vacuum, and the question was whether or not the provinces could do it, as opposed to whether or not it could be done at all. Second, there were no conflicting laws enacted at the federal level for the courts to make the kind of assessment between jurisdictions that was required to give a true analysis of the scope of the federal trade and commerce power.

The Attorney General did not say this, but there is no doubt that 100 years ago, which is where he finds his precedent, the existing precedent in jurisprudence at the time and in those conditions allowed provinces to pass some measures that did have an impact and that did necessitate an interpretation of the scope of the federal trade and commerce power, but the retreat from that constitutional position or interpretation has been in full flight for the last 55 years in this country.

I quote from Bora Laskin on Constitutional Law: "The need to reconcile the power to make laws for the peace, order and good government of Canada in relation to the regulation of trade and commerce with the powers reposed in the provinces cannot be lastingly met by imprisoning either the former or the latter within the predetermined limits which take no account of social and economic change."



Those words are true, because we now live in a world of international trade. We live in a world where laws passed in one jurisdiction will directly impact the citizens and economic activities of those in another jurisdiction. The United States courts have ruled that the scope of the federal commerce power is as broad as the economic needs of the nation. Surely any examination of judicial interpretation over the last few years indicates that the Supreme Court of Canada is leaning, in its interpretations of the federal power over trade and commerce, in the direction of the economic and social needs of the nation as being one of the determinant factors in ruling on the scope and the efficacy of any federal legislation with respect to trade and commerce.

In fact, provincial legislation has been struck down where it has dealt with export or import control. In matters that are properly dealt with by treaty and by the federal government, where there is any impact on export or import control, provincial laws are being struck down. Or, where the economic facts are such that the only perceptible effect of provincial law will be on imports or exports, in those cases as well the Supreme Court of Canada is developing a jurisprudence of its own, founded not in cases like the local prohibition case ruled on by the Privy Council but in a new, modern constitutional, economic and social framework.

In fact, any fair assessment of the constitutional law cases will indicate that very little or no interpretation has been given to the reach of federal legislation under the ambit of federal trade and commerce power. It has been mainly examination of provincial statute.

The climate, I believe, is now much more favourable to the federal power than it has been or was 100 years ago. I believe the National Products Marketing Act case, the Farm Products Marketing Act case begin the process of accepting for trade and business, in so far as either is confined to the provinces, accepting that to the provincial jurisdiction only in so far as it is confined to the province alone and is not extraprovincial or international. Only with respect to trade within a province is the court, under the National Products Marketing Act case, prepared to rule that provincial legislation is constitutional and that federal legislation is therefore unconstitutional.

In the Farm Products Marketing Act case we have another development: that is, a reflection by the court on the limits of provincial and economic regulations in a more sophisticated sense than we had in the days of the Privy Council rulings 100

years ago, and that reflects the new economic realities, the new economic regime that the entire world lives under now.

For the first time, I believe the courts are ruling on the fact that a scope of provincial regulation was not incompatible with a paramount federal policy in matters that, in their totality, transcended provincial management. In other words, the courts are prepared to allocate a federal jurisdiction or a power on matters that transcend provincial jurisdiction in its totality. That is a very important progression from the provincial rights ambit of the early Privy Council rulings with respect to constitutional matters confronting this nation. Where we now are with respect to provincial authority over manufacturing and the sale of goods for consumption within the province, the authority of the province is quite well established. But for goods manufactured for export from the province, the authority of the province is not well established at all; in fact, it is subject to challenge. Surely, in the face of that challenge, which is current and ongoing, the federal jurisdiction has power to step in under constitutional law.

There are as well a number of cases with respect to natural resources and agriculture—and specifically, for instance, with respect to grain—which indicate both a federal authority and, in some aspects, a provincial authority. I would refer members to page 415 of Laskin on Constitutional Law for a general overview of that very important discussion.

#### 1620

We also have in constitutional law the treaty obligations which I spoke of earlier. I want to quote from the Honourable Mr. Justice Rand, whom other members of other parties are wont to quote from time to time. The Honourable Mr. Justice Rand says:

“The totality of treaty-making action is a discrete and an entire subject matter and it is not possible to eliminate treaty character from legislation accomplishing its terms. In other words, enabling legislation will be treated in the same fashion as the treaty itself, vis-à-vis the powers of the federal government.”

That is the position of the Honourable Mr. Justice Rand, and I think that reflects the prevailing judicial opinion of the Supreme Court of Canada, although they may have a chance to rule on it in the near future.

The Honourable Mr. Justice Rand goes on to say:

“The entire subject matter, treaties, the entering into treaties, and the implementing of



treaties, is a subject matter where its only place of reception is in the residual power of the Dominion, the federal government. Its only jurisdiction falls within the federal ambit, both with respect to adopting treaties and implementing treaties."

That is a considered judicial opinion that I think has very much weight in this country today. So the Attorney General, in his self-serving constitutional interpretations, does not reflect, in my opinion, prevailing jurisprudence or prevailing judicial opinion in the country; and he should not presume to, nor do I. This is a matter that will be decided by the courts, but it is not as clear-cut as the Attorney General would have us believe when he made his presentation to the Canadian Bar Association last week.

I think it is clear that, even in matters of constitutional reform, or if any matter relates to an impact on constitutional powers under the constitution, where the provinces have been involved in the process and by their involvement have allowed this to happen, and by participating in first ministers' conferences and negotiating committee meetings, they have passed the test of the Constitution Act that was set forward in the Supreme Court of Canada decision in September 1981.

Whether we want to use some of the old tests of constitutional law—like the pith and substance argument, the incidental or deliberate infringement of powers, what is necessarily incidental or ancillary—all of those arguments and to what degree they should be used—or the paramountcy doctrine, or the property and civil rights test, or the peace, order and good government test—I think it is clear that there is no jurisprudence that dictates that the opinions of the Attorney General given to the Canadian Bar Association will necessarily hold sway with the Supreme Court of Canada.

We have had this government go through a curious exercise. First of all it said, "Let the provinces and the federal government decide." Then it said: "Let us have economics dictate. Let us have the economic interest groups decide whether or not we will go with the free trade agreement." Then when that did not work, when the provincial governments rallied against it, when the economic groups in this province and across the country rallied against it, it is now saying, "Let the courts decide."

I am looking for the ultimate rollback from that position as enunciated by the Attorney General to a simple resignation by the Premier that he hopes the matter will be dealt with in the next federal

election. He hopes it will be dealt with then, in the election context, because that is where this government is clearly headed. It has been embarked on that course for some months; it just has not told us it was. I think the people of the province and the members of this Legislature are owed a detailed, specific and concrete explanation from this government as to its strategy from the outset and where it is headed with the economic interests and wellbeing of the people of Ontario.

If we had that information, if this government had co-operated in giving us this information, if it had made it available to the people of Ontario, if it was allowing a committee of this Legislature to go out and seek the opinions in a clear and open sense, we would not be here today. We would be allowing the people of the province to have their say, and this government, more importantly, would have had its say and would have tabled all the documentation that we know it now has.

Just to reiterate a few of the arguments as I close my portion of this debate, I think it is clear, from the comments of the members of the cabinet, who cares and who does not care, who got bought off by frigate contracts and who did not. I think it is clear that the members of this cabinet and this Liberal government are engaged in what they consider to be a catfight over an important national issue. It has long since abandoned any stance of nation-building or nationhood. It has long since abandoned the statesmanlike poses that it took outside first ministers' meetings. It is now isolated in a minority position, with little credibility on trade matters. I think it is clear that this is the understanding of this country and of the people of Ontario.

This government is losing it. It is losing its positions. It has lost the national consensus, which is now against this government with seven premiers. It has lost the economic arguments of virtually every important economic group in this country except for the trade union movement. Even the trade union movement is upset with it because it has not lived up to its word and is not taking a strong enough position to advance the trade union movement's interests. This government has lost that economic argument completely. It is in the process of losing the legal arguments. It has slowly but surely drawn in its horns on veto and the power to frustrate implementation. Slowly but surely it has been backed into a corner on this, in a position that is unsustainable as advanced by the Attorney General last week.



Now this government is simply left with trying to ram through a final position of this Legislature as opposing the free trade agreement. It has not one semblance of an economic argument, not one semblance of a political argument in terms of national support left. It has not one semblance of a legal argument left. The only reason it wants to do this is that the Premier wants to send a signal which obviously he has not been able to send himself through his direct communication with the Prime Minister of Canada, the other premiers and the public of this country.

As I said at the outset, I believe there has been a two-track process that this government has engaged in. One is the public track and one is the private track. I indicated that it started with softwood lumber. It is evidenced by Pat Carney's statements that this government takes one position in public and another in private. It is indicated in the congressmen's statements that were made last week that the Leader of the Opposition brought forward in this House. It is indicated by the government's position with respect to veto, and now its current legal position. It is indicated in the government's position with respect to whether the federal government could implement the treaty versus its position now that it does not know whether it has any function to prevent implementation.

It is indicated in the government's position on domestic wines, where it wants to implement the General Agreement on Tariffs and Trade decision for the same reasons that it was in the free trade agreement. It is indicated with respect to financial services, where the government is willing to open up the international market of financial services in this province and deregulate trucking at the same time as it is opposing a free trade agreement.

It is indicated in the government's international trade option that it talks about so glowingly and has done nothing about over the past two and a half years: no direct, specific approaches to foreign markets, other than through the federal Minister for International Trade; no direct action, as opposed to what Quebec, the Atlantic provinces and British Columbia have done over an extended period of time.

It is indicated in the Premier's initial six conditions, most of which have been met in their entirety by the draft of this free trade agreement, which obviously this government, if it maintains its six conditions as being in effect today, has not even read. It is indicated in the legal opinions we have seen tabled and the current status of the legal opinions today.

I think it is clear that this government has a public position and a private position. It says one thing for political consumption and another thing for trade implementation and for industrial and economic purposes. It says one thing with respect to its posture vis-à-vis the international and North American market for trade and services and it says quite another on a sector-by-sector, commodity-by-commodity basis.

I think it is clear that this government has produced no concrete, specific alternatives to the status quo; nothing to help the farmers; nothing to help the bushmen and the mill workers in the lumber mills in northern Ontario; nothing to help the pulp and paper workers who are subject to challenge; nothing to help the iron ore miners; nothing to help the steelworkers; nothing concrete to help the Big Three auto makers; nothing to help the beef farmers of eastern Ontario; nothing to help the technology companies in southwestern Ontario and the food processors in southwestern Ontario.

#### 1630

This government has nothing positive and concrete as an alternative to this agreement but it wants members to vote against the agreement. By voting against it, members vote for the status quo, with all that that brings. This government will do nothing to stand up for those who have felt the sting of countervail applications, quota impositions and congressional trade bills.

It has done nothing in the past and has nothing planned now. It will do nothing to help people with their current problems. In fact, it will not even fund the self-help centres for older workers. It will not even use its northern Ontario heritage fund to help the laid-off resource workers, as the Premier promised in January of this year. It will not even spend the money to help the resource-based communities in northern Ontario.

It is clear that we need access to the American market to continue our economic livelihoods across this province, to continue the economic benefits that flow from trade, to help our workers maintain their job security and their salary levels. It is clear that we need continued access to the American market, unencumbered, so that we can plan for economic and employment purposes and it is clear that this government has no answers and does not want to bother developing the answers.

It wants us today to vote against a free trade agreement in a vacuum, with no other consequences to give us other than the status quo; with no help for the workers who are subject to countervail and other trade embargoes and



problems that will lead to loss of their jobs and livelihoods; no positive options for Ontario; no sense of where this nation is going or where this province is going on the trade issue; no sense of where this nation is going or this province is going with respect to economic matters that could be affected by a free trade agreement; nothing whatsoever.

This government wants us to vote to continue to maintain its position even though it is going virtually alone now. There are three provinces in total. Two others are on Ontario's side, Manitoba and Prince Edward Island. Prevailing economic opinion from those who know, as opposed to the ministers who just suppose they know, is against them. The labour movement is upset with them because they have not fought to protect its interest. The opposition party is upset because the government will not lay the detailed information on the table so we can have an informed debate on this matter with documents that the government has in its possession and refuses to table.

For all these reasons and many, many more, this government does not have a position that is maintainable in this Legislature or anywhere in Ontario. I say to the government House leader that he should be ashamed that we are now, on December 21, here at his insistence to vote on a general resolution, as the Leader of the Opposition says, filled with weasel words, that does not give a clear direction to anybody, does not give a firm message in the Premier's words, because he has not been able to do it—an admission of failure if I have ever heard one—and there are no positive alternatives for the workers and the industries of this province on the table.

What are we supposed to rely upon? Some general sense of loss of sovereignty that comes with every trading arrangement? Are we supposed to rely upon the government's definition of what the agreement means in the absence of a text that says quite the contrary of what the government says it does? What are we supposed to do? Vote for a resolution because the Premier wants to slap something down on the table because he has not slapped anything on the table in terms of a positive, concrete contribution to this debate on a federal-provincial level or on an international level?

I think it is clear that this government has not acted in the best interests of the province. Even if we think their posture is in the best interests of the province, how they are posturing is not how they are acting in private. What they are saying in this Legislature is not what they are saying to the

congressmen and the governors of the United States and to the senators. It is not what they are saying to the federal trade minister. It is not what they are saying to the other premiers of the provinces of this country.

We deserve better in this Legislature than we have got. We deserve more than a general resolution. We deserve the tabling of specific, concrete information. Tell us exactly what this government said during those 18 negotiating committee meetings. Tell us exactly what the constitutional legal position is of the Liberal government of Ontario on this agreement now. They know what it is. They know the enabling legislation is going to be simply adopting this treaty. They know what the enabling legislation is going to be.

Why will they not simply put on the table right now, before we vote, all the information that everyone has the right to see, and the people of this province have a right to see, so that we can make a judgement on the competence and the capacities of this government to handle an issue as critically important to the people of this province as the free trade agreement?

We have not seen that. We have not seen even a semblance of responsibility from our provincial government. We have not seen the grave words of the Premier to garner votes during an election campaign matched with concrete action in the privacy of the negotiating room. We have not seen details of this provincial government's concurrence in and involvement in the finalization of the free trade agreement text and we have a right to see it before we vote on this resolution and before we sit in committee to look at a free trade agreement.

I call upon the Premier of this province to participate in this debate. He has refused to do so, even though he says we are here this week to get this resolution through. I call upon the Attorney General to participate in this debate, to give us the benefit of his legal opinion, to refute the prevailing constitutional opinion that is against his.

I call upon the government ministers of the various ministries whose officials were involved in the negotiation of this agreement to step forward. Tell us what really went on behind the closed doors. Tell us about the 18 committee meetings they attended from January 7. Tell us what tradeoffs they made, what deals they made, what details, what they gave up and, in fact, how they have been involved in forming this free trade agreement and how they are going to be involved in implementing it, the same way they did with



softwood lumber, the same way they did and are doing with domestic wine and the same way they are going to do with so many other commodities generated in Ontario and traded to the United States.

All in all, the performance of this government is disgraceful. The leadership exhibited by the Premier is also disgraceful. He was elected to lead this province in the free trade negotiations. He has abdicated his leadership. He refuses to get involved publicly in the debate. He wants to sit back and relax and let the cards fall where they may and let Ontario's economic and cultural interests fall where they may.

He has no sense of nationhood, of what kind of a nation we should be, now in the face of this free trade agreement. He has no support among provincial premiers because he lacks credibility; he has no support among the economic groups in this country because he lacks credibility; he has no support in the Legislature of this province because he lacks credibility.

**Mr. Mackenzie:** I am not a moderate in terms of this particular issue. I am also not a lawyer and certainly do not proclaim to be an expert on free trade or the past history of it in this province, but I do have some very strong feelings as a Canadian and I do have some strong feelings as to where this particular agreement is taking us.

I have some sympathy with my colleague to the left for his feelings about the resolution we have been presented, although I would support it, as we have amended it, but my reasons, of course, are entirely different from his.

It seems to me that we built our country with a lot of difficulties and we built it really from coast to coast. It was a difficult building process in this country of ours, I guess because of the distances and the ribbon of population that is spread out along our border and because of the regional interests, whether they were maritime, central Canada or the west.

I think we have done a number of things that have been unique. I think we have also, in the course of building our country, taken a number of new initiatives. Who can argue with the development of a form, I guess, of public ownership—we know it is not much more than that—of Ontario Hydro? Who can argue with the fight that went on out west in Saskatchewan over hospitalization and medicare, a fight that eventually benefited and covered all of us right across this country?

These are all, and there are many more, instances of the kind of things we faced in building an individual consensus as to what we were in this country. It has been difficult to find

what our national interest is, to really find something unique that says we are Canadians, but I think we are on the way to doing that.

**1640**

This sudden attempt to switch the focus from east-west to north-south, and even more than that, to switch the focus almost entirely to a marketplace economy where the marketplace is going to rule, is one that has nothing but bad connotations for this country of ours. It is an agreement which I think has been conceived in one heck of a lot of dishonesty.

I say that at the federal level, in terms of Mr. Mulroney's comments captured, I think, in Thunder Bay, when he was running for leadership of the Conservative Party, when he said they would have nothing to do with free trade because it would be a threat to our sovereignty and made some other comments as well. It certainly was not perceived as his position when he was running for leadership of his party, and it was certainly not an issue that was raised during the federal election that resulted in the overwhelming Tory majority we had across this country.

But it did not take long for the marketplace forces, for Mr. Reagan and Mr. Mulroney, to get together and decide that regardless of what he had said before, the way for him to go, the way for him to guarantee that they were not going to have to look at the various pressure groups in this country of ours but were going to be able to let the marketplace rule, was with some kind of a comprehensive trade deal. I think that is the dishonesty and the lack of any mandate from the Canadian people.

I am now seeing what appears to be just as much dishonesty on the other side of this House. I sat for over a year on the standing committee on finance and economic affairs to discuss free trade, and I will not, because I have raised it in this House, go into all the arguments we had, but I want to make two or three of them very clear.

My colleague the member for Sault Ste. Marie (Mr. Morin-Strom) and I argued as strongly and as best we could in that committee for months, literally, and argued as well on our trips to Washington, for a rejection of this comprehensive trade pact. We appealed in that committee time and again to some of the Liberal members who sat in that committee for support for the position we were putting forward.

We even had early on, one Tory member who agreed with us totally, but he left the committee at an early stage to take an appointment with the Workers' Compensation Board. I will never forget his admonition of his own colleagues in



Washington when we were having a debate on this that he did not support the concept of free trade. All they were doing at that point was opening up all the trade irritants and highlighting all the areas where there was dispute but, unfortunately, that was the only voice I heard speaking from that side and he was not there very long.

But what argument did we get from the Liberal members of that committee when we tried to get them to side with us early in saying: "This is not a good deal for Canada. This is a dangerous deal and you are going to live to regret it if you let these talks continue." I can tell members what we got.

First: "You guys, you're not living in the real world, you two New Democrats. We've simply got to conduct the talks. It would be irresponsible not to conduct the talks, but of course you don't need to worry. Trust us." It sounds a little bit like the Premier recently. "Trust us, because obviously we are not going to enter into any kind of deal that threatens the auto pact, that threatens the marketing boards, that threatens our culture, investment policies, a number of areas that were covered. You don't need to worry and quit being so paranoid, almost, about the issue."

It did not take too long, as we were winding down that committee and getting ready to issue our first reports, before, all of a sudden, we had reached the stage in the talks that were going on with Mr. Reisman and Mr. Murphy where it was obvious that the auto pact was on the table. It was obvious that there were going to be disruptions in some of the farm marketing policies. It was obvious that there were other things that we said we simply had to protect and that the Liberal members were saying had to be protected, albeit we should still enter into the talks on that committee.

When it became apparent that they could not do anything about these items being on the table, there was a little switch in tactics and we started getting: "Oh, but Ontario has the right to veto. Ontario can end these talks. Ontario has the right to say that what is under our jurisdiction just does not happen." We started getting that line and we got that line all through the last election, but that was the next line.

As recently as the committee sessions we have had in the last two weeks—Professor Peter Russell was one of the speakers but the one I found much more interesting was H. Scott Fairley, associate professor of constitutional law at the University of Ottawa. I will not attempt to tell members exactly what they said—I did not

always understand all of it, to be very honest—but I can tell members what they were telling the committee fairly clearly. If we were pinning our hopes on an appeal over Ontario's jurisdiction or Ontario's right, that was an awfully dangerous road to go and they did not think we would succeed.

We had no less than three witnesses, and I think the transcripts of the testimony in the last two weeks will show very clearly that they did not think we were going to succeed. They outlined some of the real concerns and fears. I think it got through to a couple of Liberal members on the committee, even in the last week because, all of a sudden, I heard a new position from my friend the member for Guelph (Mr. Ferraro).

He used to be one of those who sided with Jimmy Taylor from the Tories, who is no longer with us, telling us how crazy we were to be opposing even the talks and how we were sure we had the protection because they would not put certain things on the table and he was one of the first to start arguing with us about Ontario's right to deal with any particular area that infringed on Ontario's jurisdiction. He heard what was coming from those witnesses before our committee and said, "Lookit, fellows, don't be so upset, don't really worry about it all, because we have six months after the finalization of the deal to get out of it."

I would not trust this government to get out of it in six months if it was the last thing on earth. We see a fallback from the areas that we simply will not negotiate. They are negotiating, so it is no longer important. Then what infringes on Ontario's jurisdiction, when it is obvious that that is going down the tube, is no longer important, now we have six months after the deal is signed.

I ask the members in this chamber to think for a minute. If we sign this deal, if it is ratified in Congress, if they get the approval of the provinces, and I think they are going to, and they start the process of adjusting for the kind of massive changes that will be involved, how much chance do members think we will have or what do they think the cost will be to pull out within that six-month period? It will be enormous.

If members do not think there is bargaining clout and if they do not think the Americans can come down on us like a ton of bricks and threaten us and bring countervail action against us if we try to break that kind of agreement within six



months, if members do not believe that, they are nuts and they are not living in the real world.

I am simply saying it is a lousy argument, as far as I am concerned, that our next line of defence is, "We have six months to do something about this agreement." I have never in my life been as disappointed in a Premier of Ontario as I have in this Premier. I am not going to go back through all of the quotes. My leader has done an excellent job on it and so have others in this House. But the Premier certainly made it clear that as regards the auto pact and other areas, it was no deal.

I think that was a major part of the success of the Liberal Party in the election. The Premier made that clear; he was hard and he was pointed on it. And what have we seen there? In this House we started getting first: "You know that is really federal jurisdiction. The feds have the treaty-making power and we cannot do much about it." That is certainly not what he was saying during the election campaign.

We have had almost the same kind of approach now over Ontario's jurisdiction, not willing to try any court challenges in advance. I suspect we will not see any challenges, period. The government knows it is asking a little bit much but, above all, trust us—just as it was during the election campaign.

1650

If I have to put the Premier of Ontario up against Brian Mulroney I am not sure who I would trust more or less. I will tell the members that right now. I have just reached that conclusion; it has taken the last few weeks. But as I watch the backoff of this party's position on free trade, I am prepared to suggest that within three months we will probably either have almost a reversal in the position on that side of the House or at least there will be no real opposition any longer to this particular deal.

**An hon. member:** Five bucks.

**Mr. Mackenzie:** The member is darned right he has got \$5 from me. Some of his colleagues would not take it up, but I will take it with the rest of them, too.

I think what is going on here in terms of the debate in this country is very much akin to a charge that was made by Sir John A. Macdonald, certainly not a socialist politician, who in the 1891 election, as I understand it, described free trade as "veiled treason." I think that is exactly what has happened to our country.

Some people get upset. I heard some of the Tory members get upset at some of the name calling. I have heard an awful lot more of the

doom and gloom boys and all the rest of it from them than I have from anybody else in this House but I do tell you that as far as I am concerned the threat to our country and our sovereignty does come very close to veiled treason.

I thought also that Mitchell Sharp made a very powerful point recently in the debate over this issue when he put the basic position of cultural nationalists succinctly. I think we should read the paragraph leading into it, because I think it is interesting.

"Mitchell Sharp, who led the fight of the continentalists against the economic nationalists led by Walter Gordon at the 1966 Liberal convention, is expressing strong opposition to the present free trade deal, an opposition not based on economics, but on cultural sovereignty. 'Marginal economic gains from the Mulroney government's free trade deal will be outweighed by the imminent Americanization of Canada,' said Sharp who was Canada's Finance minister from 1965 to 1968, and External Affairs minister from 1968 to 1971."

His quote says: "'Bear in mind that there is a price to be paid for that marginal improvement in standards of living. The price, in my judgement, is a progressive erosion of Canadian independence and identity that would come about not at once, but gradually and inevitably over a period of years.' Sharp put the basic position of the cultural nationalists quite succinctly. The position is that it might cost a little more to be a Canadian than an American but it is worth the price."

That is exactly why, when I say I am a little bit angry and uptight about this, I have such difficulty, not only with the position of my colleagues to the left whom I understand—I should not say that; I do not understand, but they are very clear in their position—or my colleagues across the way—I do not know what their position really is—and I see a backing off almost every week we sit in this House from their opposition heretofore to this deal. I do not see them willing to make it very clear to the Americans and very clear to the federal government that we are going to fight them every single step of the way if they try to impose this deal on Canada. It is because I feel we would be challenging that view of Canada.

I heard a lady speaking to a meeting in Orillia the other day. She came up to me and said, "Mr. Mackenzie, is it true that we might go out and buy our dresses \$20 cheaper than what we are paying for them here in Canada?" I said, "It is possible." She said, "But is it not also true that



we would probably close down those factories that are making dresses here in Canada as a result?" I said, "That is likely true as well." Then she said, "It is not worth it."

We do not always get that message through: that there might be some things initially that would be cheaper, but not in the long run.

All through the year and a half that we had the hearings of that committee on the trade issue, time and time again we had outlined, as they have been through some of this debate, the areas of concern—textiles, shoes, electrical, and it went on and on. We were always told: "Trust us. Take this leap of faith. There are areas we are going to make gains in." To this day, I am still looking for the gains.

I heard the leader of the third party make reference to the petrochemical industry in his own town of Sarnia. I would suggest to him that he go back to the Hansards of those debates a year ago on that select committee when we had before us some of the top officials of the petrochemical industry in Sarnia, along with the cement producers' association. Those are the only two industries that I can remember telling us that they really would produce a lot of new jobs in this country or that they would be that much better off.

When we got to questioning the vice-president of one of the petrochemical companies in Sarnia, I think I asked the question specifically and it will show in those Hansards, "What can you give us in the way of actual numbers of new jobs?" They are already selling much of their production in the United States and they will have this access to this US market, and what figure did he come up with finally? If you look at the Hansards you will find he finally said, "Probably 100 jobs."

I am not trying to hold him to that. He may double or triple that, he may not hit the 100, but he made one other comment at the same time that was, I thought, significant. "Of course, you understand that the investment in the capital and new technology needed for those 100 jobs will be somewhere between \$60 million and \$80 million." I want to tell you I am no industrialist at all, but for \$60 million or \$80 million I suspect I could produce more than 100 jobs.

I want to go to the cement industry, because it was one of the other success stories that came before our committee of this Legislature. They told us that they already ship—and I did not realize this—more than half their cement production into the US and that they could ship so much more in with this kind of an agreement. We went after them exactly the same way, and we asked

representatives of the four major cement producers in Ontario, "What are you telling us you might do in the way of production of new jobs?"

Do you know, all of a sudden they said: "We didn't say there would be any new jobs, but you want to understand we are doing the business we are doing now and shipping the production we are shipping now into the US, based on working only nine months of the year. What we could do is guarantee 12 months of work in the year for our workers, and there are about 3,000 of them."

That is pretty fantastic. I have no difficulty with an extra three months of work for those 3,000 workers in the cement production field, but it sure does not sound like new jobs to me.

I want to raise one other point that has bothered me no end. Early on in this debate, one of the big arguments—and it still is to this day but you will notice that it has fallen off a bit—was the access to this tremendous, huge US market and what it would do for Canadians and Canadian companies.

I went to the Royal Connaught Hotel in Hamilton and listened to the submissions made both by the unions and by the steel producers to the cabinet committee that toured around the province. Then I went, as some other members of this House did, to the breakfast that the forestry industry had over at the Sutton Place Hotel. You know, I got the same message at both places, a little more forcefully stated by the steel producers than by the forestry industry, but exactly the same message.

In the steel industry's case, they were not going to be so foolish as to try to exceed the percentage of their production that they are already sending south of the border. No, no, that would only rouse the US protectionist feeling, no matter what, and they were having hard times in their industry in any event, but what they wanted this agreement for, almost the sole reason, was to guarantee their current market share, to guarantee the status quo. When one of the reporters, I think it was Mike Murphy of CHCH-TV, cornered the head of Dofasco outside in the scrum after he had presented a brief to those hearings, he said, "Hey, are you telling us that what you are really trying to protect is just the status quo?" the answer was "Yes."

Those of you who sat down at that breakfast with the forest industry people in the Sutton Place heard much the same kind of pitch. It was not that there is a fantastic new access to this huge US market and all of this gain for this country of ours, it was simply that they, fearing the



protectionist sentiment, wanted to protect the status quo.

Why, in God's name, are we entering into this agreement that is supposed to have all of this benefit of this huge US market if our major industrial exporters are already fighting only to keep things where they are? Let me tell you, if we cannot do that, as we have done up until now in a tough situation with the kind of protectionist sentiment that is there, then we probably do not deserve to survive as a nation.

I happen to have more faith in Canada; I think we can. Just as we beat them back once on the steel issue, we can do it again. Sure, it is tough and difficult, but we have not put the marketplace automatically in charge. We have not sold the store before we ever started fighting or trying to make it a viable option in this country of ours. I think that is absolutely nuts. Members should stop and think for a minute.

1700

Other devastating testimony—and I am going back a year, I know, but I think the example is useful—was from the trucking industry that was before us. It is another thing that makes me so dissatisfied with the recent performance of this government, the bills that it has reintroduced, which I think is one of the steps towards the reversal I am talking about that I can see coming across the way in this House.

The trucking industry was before us, the vice-presidents of three of the major companies. One of them was CP Trucking. They outlined what had happened in the United States with deregulation. In a nutshell, the prices went down and everybody loved the lower prices of shipped goods.

The shake-out occurred: 56 per cent or 57 per cent of all the unionized truck drivers disappeared, mostly Teamsters, but whatever union. The small companies were gobbled up. The medium-sized companies were gobbled up. One of the questions we asked, which I think is also on the record in that committee, was, "What happened in terms of environmental safeguards and health and safety safeguards in the trucking industry?" They told us, if I remember the quote properly, or close to it, that it was most noticeable in the medium-sized companies, which cut back on these particular areas as they tried to compete and stay in business, but even then many of them could not do so.

Within three years of the US move to deregulate, they had shaken down—I have forgotten; it was hundreds and hundreds. There were something like a third or half of the trucking

companies left. Fifty-seven per cent of the unionized drivers were gone. They had shaken down on the standards. He said: "What was the end result? All of a sudden the prices are back up." We asked him specifically where they are now. "About where they were when we started this deregulation three or three and half years ago. They are probably higher than that now."

The Canadian trucking industry told us very clearly that if we are going to go the free trade route—and it opposed it as strongly as it could in the presentations—"You had better give us deregulation. That way a few of the bigger ones may survive in this country." They did not say "the bigger ones," but that is certainly what they meant.

They gave us the reasons, and the reasoning was sound. They do not have the infrastructure to try to ship, store and warehouse when they are trying to reach US markets 1,000 and 1,500 miles from the border. The US companies, sitting right on our border, have 100 miles to supply 90-some per cent of the population of Canada and do not need the additional facilities. It is easier for them to move into the market. That is why the trucking industry made the argument to us that it would have great difficulty surviving. There are certainly thousands involved in the trucking industry. But they also told us, "Move and move fast on deregulation."

What did we see the Minister of Transportation (Mr. Fulton) do in this House within the last week? He has brought back in bills that we thought had finally been killed, at least for the time being or at least until after we know if we have a free trade deal. I am sorry if I sound a little suspicious.

Interjection.

**Mr. Mackenzie:** "Do not be paranoid," somebody said over there. To me, it is just one more step in a clear move towards accepting that we are going to have this kind of an agreement in this country and moving exactly the way they did in the US.

I want to make another observation that I think all members should think about. Another thing that struck me as being significant, scary and to the point in the testimony of the trucking executives before our committee was that the vice-president said he had talked to—I forget how many—companies that he did business with in Ontario that were branch plants. He said, "You know, as many as 500 of the managers of these plants have told me they have the production capacity in the US and it is difficult to foresee their keeping the branch open longer than one,



two or three years, if that long, if we end up with a pretty open border in this country." In other words, the real threat to the branch plants that we have stated all along is there—in spades.

But I ask members to think of something else. With a total marketplace economy, with marketplace control, with the marketplace deciding not what is best for the country, without rules that give us the right to regional development or anything else, what happens if some Canadians—and I think there will be some—are competent, efficient and innovative enough to survive and start building an industry that, all of a sudden, is accessing and not just trying to keep the status quo, as we were told by steel or forestry, which will probably always be two of our biggest exporters?

Do members think for a minute that without the rules—this is one of the things we have done in the current deal we have; the takeover and investment rules are almost nonexistent. We have completed what we started by dismantling the Foreign Investment Review Agency. Do members think some of the smart American traders and some of the big money down there will not zero in very quickly on those Canadian companies that are successful enough to penetrate that market? How long do you think it will be before we will have that kind of buyout?

Foreign investment was a threat already in this country and has been for years. This opens the door to it even more. In particular, they will go after those that are success stories. I am simply saying this is another thing people should think about and think about very clearly before they enter into a deal such as this.

It really strikes me that there is something wrong with governments—obviously the move by the Prime Minister of this country was the key one, as I said, characterized as far as I am concerned by some dishonesty—that would enter into an agreement where even the deal we have got is such a bad one.

I read a brief recently that I thought was right on, one of those presented to the cabinet committee. On one page, it goes as follows:

"The deal is, quite frankly, unbelievable. The worst fears of those who have opposed the idea of a free trade agreement with the United States have been realized. Brian Mulroney's Conservatives have signed a deal with the Reagan administration that gives the United States most of what it wanted in a deal and Canada virtually none of what it wanted.

"The United States has won a continental energy policy, something which it has been

looking for ever since the energy crisis of the early 1970s. In effect, it has won a guarantee that no future government will ever have the temerity to implement a made-in-Canada energy policy."

The members should stop and think for a minute. This may be the single most serious flaw in this agreement, although there are any number of them. What have we used more often in terms of regional incentives and development to try to protect jobs or to move into an area in this country where we are having problems? One of the really big tools has been the price and availability of energy, whether it is gas, oil or hydro. We are now saying that we can no longer sell or use to develop in this country—it is very clear in the agreement—our energy resources at any kind of special price. We have to let anything they contract for that we are willing to sell to them go to the US at the lowest price we are selling for here in Canada. It does not make any sense whatsoever.

When we talk about the threat to the sovereignty of our country, it is issues like this that remove our ability as a nation to move in any effective way in terms of the Canadian identity—if I dare use that word; some people seem to think it is almost a dirty word—the rights of Canadians and the rights of Canada to be an independent nation with its own policies, whether they are economic, regional or international. When you lose the ability to harness your resources and your money, such as you can do when you are a country that is blessed with a lot of energy, when you give that up, you really are giving up the store.

Under this agreement, Canada gives up the right to use minimum export or import prices, article 902; export taxes, article 903; or export quotas as instruments of energy policy. Is there any question of what we are doing?

Canadians will be subsidizing US consumers by selling off more accessible resources of nonrenewable hydrocarbons at prices dictated by market conditions in the United States and later replacing them with more expensive resources from Canada's frontiers. Because energy prices will be determined by supply and demand in the continental market, Canadians will no longer be able to benefit from domestic energy prices that differ from those of the US. Canadian industries would then find it even harder to survive as our climate and long haulage distances put them at a cost disadvantage of about 20 per cent on average when compared to their US competitors.

This section infringes on our sovereignty. I say that directly and without hesitation. Under the



free trade agreement, the US has almost totally unrestricted access to Canadian energy resources—oil, natural gas and hydro—on the same terms and conditions as Canadians. This means we cannot charge Canadians less than the US for our resources and we cannot refuse to supply the US even in cases of a resource shortage or an emergency crisis. The US has won a continental energy policy, something that it has been looking for ever since the energy crisis of the early 1970s. In effect, it has won a guarantee that no future government will ever have the temerity to implement a made-in-Canada energy policy. This removes the right of a Canadian government to pursue energy policies which favour Canadians over Americans. So we are already in.

**1710**

Forget the multicultural heritage or background of our nation and our peoples. Jump into the melting pot approach in the US and jump in effect into being little more than the 51st state of the United States. We also have not won in this agreement the right to put aside countervail. To me, while I see the feeling in energy and while I see that as a direct threat to the sovereignty of our nation, probably the biggest and most stupid part of the agreement is that we have not obtained the right to deal with their countervail actions. We cannot stop them if they still do not like a deal even after we have signed this agreement, and we could not do anything in terms of the current omnibus bill going through the US House.

Nothing in the agreement prevents US anti-dumping or countervail measures such as were threatened in this softwood lumber deal. The dispute settlement mechanism will not guarantee Canadian access. Any appeal will be limited to matters of process, not substance. Whether an American countervail or antidumping duty is fair to Canadian products or not will never be the issue. Canada failed to get an exemption from US countervailing duty and antidumping legislation. Indeed, it is now clear that the deal will exempt Canada even from future US trade restrictions. In other words, we have not even won an exemption from the omnibus trade bill that is making its way through the US Congress, the bill that free trade advocates have been holding out over our heads as an overriding reason for the free trade deal.

First off, we are finding from our major exporters that we are not going to get access to this huge US market they talk about. Then we find out in the agreement that will be signed on January 2 that we do not even get out from under all this protectionist threat in the current major

omnibus bill going through the US Congress. My God, how stupid are we in this country and how stupid are our governments?

American laws which have hurt Canadian industries like softwood lumber or Atlantic groundfish are untouched. These trade laws will continue to apply and will continue to harass Canadian producers. Everyone admits that Canada will suffer severe job losses because of this agreement and that women and minorities will be particularly hard hit. In return for this high cost in lost jobs, Canadian negotiators have secured a review panel that will judge after the fact whether the Americans have applied their bad trade laws correctly, but can do nothing about them. There is nothing there that should give us any cause for any hope or any feeling of security. It is simply a deal that cannot and must not be allowed to proceed.

I would like to wind up my remarks where I started. I know what the Tories are doing. I cannot understand it. I am sure Sir John. A. Macdonald would be rolling over in his grave, but I guess if I look at the fact that the Tories believe in the marketplace ruling, then that is the explanation because that is exactly what happens. Not what is good for Canada, not what is good for regional problems, but the marketplace rules totally. I think they inherited that from Mr. Mulroney's concept of business as an American steel flunkey.

Lest there are any good feelings across the way, I do not know how these people explain first their backing off from "we are not going to have any deal," as I said earlier, if it infringes on the auto pact, if it infringes on some of the marketing boards, if it infringes on our right to regional incentives or really ruins our ability in terms of foreign investment. Then when we find that is not happening, when we find that is all part of the package, then the Liberals at the committee level—and we have seen it in this House level as well—all of a sudden move to their backup position that we will now have the right to stop it because of anything that infringes on Ontario's jurisdiction.

When it starts to become obvious that that may not be a viable challenge either, that that may not be good enough, I do not know what the Premier will say, other than nothing, as he did in answer to questions today. I can tell the House what the member for Guelph was saying in the committee: "Oh well, so we didn't succeed in getting these things off the table. Oh well, so maybe we don't have the right to stop the deal because it infringes on Ontario's jurisdiction. We have six months



when we can cancel the deal." My God, is that ever negotiating from strength.

I want to tell the members that I have become completely disillusioned with the position this government takes, because it is all talk and no action. That is exactly what our Premier has been doing as well. I will wind up by simply saying that I have reached the stage—and I do not like it and I am not happy even to say it, to be honest—that if I have to trust either Brian Mulroney or the Premier, I do not know who I would choose.

This deal is simply a bad one and it has to be stopped. I want to end by saying that if this government does not find the internal fortitude and the guts and the energy to say, "This thing stops and it stops now," then it has done a disservice to the voters who were expecting more, it has done a disservice to this province and it has done a disservice to Canadians from coast to coast. I appeal to the government to do something now that is more than just the chatter we have had to this point.

**Mr. Cousens:** I want to take part in this debate. It is a debate that has great significance and probably will be the most important debate that takes place in this parliament. It is unfortunate that we have to be here at this time, when we could have risen last Thursday. The member for Hamilton East (Mr. Mackenzie) could be taking Christmas cheer around rather than giving the kind of speech he just had to give.

I have to tell you, Madam Speaker, that this House takes very seriously its responsibility in dealing with important issues for our province, important issues that affect every person, not only in the province but also in this country. Therefore, in that light, when the government party came through with its resolution that condemned the free trade agreement in such a wholehearted way and expected there would be a token speech from each of the three parties and then this whole issue could be set aside and we would have dealt with it, that is wrong.

Interjections.

**The Acting Speaker (Miss Roberts):** Order. The member for Markham has the floor. Would you please let him continue.

**Mr. Cousens:** I am concerned and I think it should go on the record that at least the member for Markham would rather be in Markham than at Queen's Park. I am sure many other honourable members would prefer to be elsewhere.

I find it surprising that we are here debating the free trade agreement when the federal House has adjourned for the Christmas holiday without

even having to pass the resolution supporting free trade, in spite of the fact that the Prime Minister—

**Mr. Harris:** All three parties agreed.

**Mr. Cousens:** All three parties agreed they could put it on the very back burner for the time being. Come January 2, the Prime Minister of Canada and the President of the United States, Mr. Reagan, will be signing the agreement, in spite of the fact that the federal House has not ratified the agreement. I find that quite surprising and I find it all the more so when the Peterson government seems to think we are just going to casually approve something with a token speech from each of the three parties.

This is probably the most important debate that will take place and I, for one, am pleased to be part of the debate but most unhappy at the timing of it. The timing should be at a future time. If the Premier and his advisers were to come forward with a resolution that said to the members of this House: "We are referring the issue of the free trade agreement to a committee of the Legislature. That committee is going to look at it. They will have hearings and then they will make presentations. They will hear them and they will come back to the House and then we can vote on it," then there could be further debate and it would be more enlightened.

1720

No. Instead, we are faced with this abysmal resolution. I disagree with the resolution and I disagree more with the way in which it has been presented to this House. So, as we proceed, it is also against the intentions of the speech that was given by the Premier on November 4 to the Canadian Club and the Empire Club. I have his speech and I am going to make a number of references to his speech. He said:

"Canadians from coast to coast and from every walk of life have not only the right but the responsibility to debate this deal in the fullest detail." I think that is why our party is concerned that we continue to talk this issue through and understand its ramifications and understand how its impact is going to affect the life of Ontario and of all Canadians.

I then go on to one other point the Premier made in his speech. I am concerned with one aspect of this that came up in the Legislature this afternoon. He said, people "have the right to demand that the debate be carried out without impugning the motives or questioning the good faith of any province, region or individual."

I would ask the Premier to talk to his own Minister of the Environment (Mr. Bradley), who in this afternoon's question period said the reason



the Maritimes bought the deal is because they were bought off by the frigates.

I think that is part of the lack of conciliation going on. We should not judge anyone's opinion. We should not say, "Hey, because you disagree with me, you're not a good person." That is the kind of attitude that is coming through from the government. I think we have to be open in our debate, conciliatory, and find a middle road that accepts that the deal is not perfect. I do not think it is perfect but I think it is better than no deal and I think it leads to a better future for this country and for this province by having that agreement than if we did not have it.

So as we address the concerns of the free trade agreement, I think we have to face up to a number of the statements that have been made by the Premier and by the intentions behind them, reiterating the fact that there is still time for this government to take back this resolution and bring out resolution 9, which will allow the government to come forward with another statement that can defer this to a committee for proper debate.

I want to refer at some length to the speech that was given by the Premier, previously referred to, on November 4. I would like to take that speech issue by issue. I know I will not touch upon all of them, but there are a number of points the Premier made in his speech and I would like to take them seriatim, one at a time.

By the way, I would like to welcome the Premier into the House. He was here for question period, but to be present for this debate is something we hoped we would see. We hope he will continue to be here throughout the duration.

**Hon. Mr. Peterson:** I came for the top speaker of the Tories.

**Mr. Cousens:** I am most honoured. I have great respect for the Premier except for his position on free trade.

In his remarks, the Premier said the free trade agreement does not make access to the United States market "appreciably more secure." "Appreciably" can be defined and "secure" can be defined, yet what he is really trying to say is that there are no guarantees of improved trade possibilities for Ontario business people because of the free trade agreement.

I have a number of comments I would like to make on that. I believe the US market is more secure for at least the following reasons. The first has to do with changes to the United States antidumping and countervailing duty laws under the free trade agreement. When it does enter into effect, it will not apply to Canada unless Canada

is specifically mentioned in the legislation. That is in article 1902.

In other words, when future trade debates take place between our country and the United States, we are going to know when there is going to be some countervailing activity within the United States, and unless it has a specific mention, we are protected from it. This measure ensures that any future US trade law changes will provide special consideration for Canada. That is the first point I make.

Based on the Premier's statement in his speech that the free trade agreement does not make access to the United States market appreciably more secure, I make this second point: The US trade officials will be required to enter into prior consultation with Canadian trade officials where Canada is named in trade legislation. That is in article 1902 of the agreement. This prior consultation will enable Canadians to lobby for exemption from legislation and to influence the type of legislation that is drafted. They do not have to do that now but they will have to do it after the agreement is signed.

**Hon. Mr. Peterson:** Crawl down there on bended knee and beg for their forgiveness and exemption.

**Mr. Cousens:** No, it is within the agreement and we would have this agreement. We probably do not have three wise men to take a trip to Washington from the Liberal Party, but we could find some good Canadians who are going to be in a position to fight for Canadian trade.

The third point is that the dispute panel may issue declaratory opinions. A declaratory opinion is a charge that is made on countervailing or antidumping laws having to do with their consistency with the General Agreement of Tariffs and Trade antidumping code and subsidies code, and with the objects and purpose of the free trade agreement.

The purpose of these opinions is to exercise moral suasion and check protectionism. There will be a chance before any changes are made within American law for Canadians to react to it. There will be an opportunity to air it, to put it out in the media and to have our negotiators and their negotiators sit down and discuss it. These declaratory opinions will ensure an openness before some action is taken. There is nothing worse in a trade relationship, as we have with the United States, than to have surprises, and we have had a few bad surprises. Let us have this kind of openness and airing and explanation of what is being planned so that does not happen.



A fourth point that comes out, where the Premier was saying it does not make access to the US market more secure, is the fact that the dispute panel may recommend modifications to trade-law changes. Such recommendations would trigger consultation for a maximum of 90 days. The purpose of this consultation period would be for trade officials to try to resolve the irritant in the trade-law changes. The members of the panel would offer expert advice on how the offending changes could be modified. That is outlined in article 1903. The dispute panel has value. The dispute panel will help to provide that opportunity for alternative views. It will be able to make recommendations.

Another point in this agreement—the Premier says the free trade agreement does not make access to the US market appreciably more secure—is the fact that Canada will be able to have the dispute panel review any US countervail or antidumping determinations to determine if a US investigating authority has made a decision not in accordance with its law. That would include statutes, legislative history, regulations, administrative practice and judicial precedents. “The decision of a panel under this article shall be binding on the parties with respect to the particular matter between the parties that is before the panel.”

The review panel process will ensure that the economic and legal standards applicable to countervailing and antidumping actions were fairly applied. This process would reduce the extent to which legal and/or administrative decisions in these areas could be unduly influenced by protectionist pressures. The existence of an impartial binational panel would discourage the United States International Trade Commission and the Department of Commerce from ceding to protectionism because of the likelihood that countervail and antidumping decisions would be reassessed by a higher body.

Moreover, Canada could provide notice of its intention to appeal a negative US trade-law ruling as soon as the preliminary ruling was made. This would put pressure on US authorities to apply laws in a fair manner, providing a full assessment of the arguments submitted by both parties. We want greater access to the US market and we will have it through this kind of review.

Under the global track of the safeguard provisions, the US emergency relief actions to deal with serious injury from imports will not apply to Canada except where Canadian exports are substantial. In other words, we will be in a position to review any changes that are taken to

Canadian trading practices. On the larger ones it will take a larger discussion, but on the smaller ones there will be a way in which we can contribute to discussion and dialogue on any changes that are made to imports; that is, Canada will not be sideswiped by the United States. This measure will make Canadian exports more secure, simply because it will reduce the scope of application of US safeguard actions.

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Another point I would like to dispute with the Premier is that he is saying the free trade agreement will not make access to the US more secure. The fact is, under the terms of the Canada-US trade commission established to supervise the implementation of the agreement, each party shall provide written notice to the other party of any procedure or practice that it considers might materially affect the operation of the agreement. Furthermore, parties to the agreement shall be able to request bilateral consultations and/or the meeting of the commission to resolve disputes. The commission will also be empowered to call on technical advisers and to refer disputes to binding arbitration.

The combination of the above measures will help resolve disputes before they are translated into legal actions and will thereby contain and reduce the threats to Canada's access to the US market. When we talk about access to the US market, the Canadian energy market is an important consideration. Both Canada and the United States have agreed to prohibit restrictions on the import or export of energy, under paragraph 1 of Article 902. This will secure Canadian access to the US market, access which is otherwise threatened when energy surpluses exist in the United States. The above amendments to the legal and administrative procedures governing the development and application of US trade law would make access to the US market appreciably more secure.

The Premier's statements discount the progress that has been made in this area and imply that no deal is better than the proposed one. I have grave problems with that whole premise, that no deal is better than what we have proposed, because unless we begin to realize that our major trading partner is the United States of America, and unless we have a bilateral trade agreement that is going to open the door between their country and ours for trading and understanding of trade to allow for a reduction in consumer prices, to allow benefits to both sides, to realize that in fact Canadians have a great investment in the United States right now—and I will come back to



the amount of investment they have in Canada and the increased proportional investment that has taken place in the United States—the fact of the matter is, we have an opportunity to increase trade between our country and their country. We believe that there are benefits for all of the country.

The Premier, in his position, is indicating that it is going to turn away trade from Canada. He indicates that this trade that is proposed in the FTA is something that is going to give the United States a bigger advantage than it is going to give to Ontario or to Canada. What he is trying to do is hold Canada up in a position where he is saying Canada better not try to do it. I think there is a sense in which this government has failed to realize that every other country in this world has established a trade agreement with other countries, except for the United States and Japan.

The United States and Japan can continue to operate independently of other countries, largely. They have agreements under the General Agreement on Tariffs and Trade, but the fact is, the Soviet bloc has its own trading system, the European common market has its trading pact, as do the East Asian countries, the African countries and the Latin American countries. If Canada does not establish a strong trading relationship with the United States, we can close the doors for future growth and future development. In fact, we might cause our own social structure to go down and down because we cannot afford it, because we have not the machinery to drive it, we do not have the income to drive it, we do not have the opportunity to trade outside our country. We need that opportunity to trade outside this province. We need it to trade outside this country.

I believe this agreement establishes a more secure relationship between our country and the United States of America. In doing so, it does not thrill me that some people say we are doing that and want to close the doors to trade with Britain or the Far East or other countries. Far from it, but let us begin to take advantage of the trade opportunities with our major trading partner, the United States of America.

A quote I would like to take from the speech of the Premier is when he says, "The proposed dispute settlement mechanism...would not have prevented the Commerce department decision that led to a 15 per cent surcharge on Canadian softwood lumber."

This statement is at least presumptuous: "The weight of legal opinion in both the United States and Canada is now of the view that Canada could

have won the countervailing duty decision had the complaint been appealed under the existing US trade laws. Moreover, the reason the 15 per cent surcharge was applied was because the Canadian government conceded defeat and decided to pursue a negotiated settlement, not because a final, negative decision was imminent."

The next point that was made in the Premier's speech was as follows. He said: "Canadian industry and workers would be asked to go through tremendous dislocation in order to become more competitive in the US market. But without a meaningful guarantee of secure access, the more successful they are in reducing the costs of production, the more vulnerable they would be to US protectionist action."

I believe this to be a distortion of what has really happened. First, the amount of dislocation that would occur as a result of the elimination of the remaining bilateral tariffs would be a very, very small amount relative to the amount of adjustment which normally occurs every year in the labour market.

The Economic Council of Canada noted in its 1987 annual report that in a typical year between four million and five million people, or one fifth of the working population, lose or leave their jobs. The report estimated, in contrast, that over an eight-year period following the adoption of bilateral free trade, a mere 180,000 jobs would be lost while over 530,000 jobs would be created. Thus, the labour adjustment attributable to bilateral free trade would be almost insignificant relative to the normal amount of adjustment occurring in the economy.

Furthermore, in dispute to the Premier's statement, the multilateral trade liberalization with the Far East and Europe, which he advocates would pose a far greater adjustment cost than the bilateral agreement, is a concern.

The Premier also wants greater protection for domestic automobile producers and textile workers, at the same time as he claims to favour trade liberalization with the Far East and continued protectionism from European wines, at the same time as he wants more trade with Europe.

The claim that Canadian exporters will be more susceptible to US trade actions if we become more competitive is unlikely. US trade actions dealing with antidumping and countervailing require proof that Canadian imports into the US market are either dumped or that they have benefited from trade-distorting Canadian subsidiaries. Low price alone is not sufficient



cause for the application of new antidumping or countervailing duties.

Achieving more competitive manufacturing is also essential to increasing export overseas, a goal all participants in the debate want.

I believe that what the Premier was asking for here is to get people to agree with something that is not necessarily true. The evidence is in, at least from those who have given information that we have. I know that the Premier has access to some of the studies that have been made. One was referred to by the Minister of Industry, Trade and Technology (Mr. Kwinter). It was not tabled last week.

There are some legal opinions and other opinions, but the point is that we in Canada will not lose our competitive edge, that we in Canada will be able to have more jobs for more Canadians because of the free trade agreement.

The Premier also went on to say that the federal government eliminated the national energy policy and the Foreign Investment Review Agency without even asking the United States for a single concession in return.

The national energy policy was eliminated because it represented bad economic policy, which hurt the energy-producing regions of Canada and retarded the adjustment of energy users towards greater efficiency. The Foreign Investment Review Agency was replaced with Investment Canada because of the recognition that Canada needs to encourage rather than discourage investment in Canada.

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The comments of the Premier beg the question of what concession he negotiated with the United States before opening up the Ontario investment banking industry to 100 per cent foreign ownership. Indeed, the circumstances surrounding the decision of the Premier's government to open up Ontario's investment banking industry to foreign ownership reflects the basic economic imperative behind trade liberalization, i.e., nations must embrace economic change to maintain their economic affluence.

Canada's ability to pursue an independent energy policy, according to the Premier, was given away in the free trade agreement. Canada has traded off its ability to discriminate in energy pricing between domestic and foreign customers and its ability to reduce arbitrarily non-oil energy export levels in return for an end to US tariffs or quotas on Canadian energy exports, an end to US restrictions on the importation of enriched uranium and a US undertaking to allow western

Canada to purchase up to 50,000 barrels per day of Alaskan oil.

Canada, in this agreement, maintains the right to control the exploration, development and production of energy. The principle of providing proportional access for oil supplies in periods of short supply has already been adopted in the Canadian energy policy.

The provisions of the agreement governing energy will help secure better US market access, because Canadian producers will be able to enter a more stable supply contract with US utilities. Who knows? Maybe Ontario could start selling some of its surplus energy. Maybe Quebec could, even more so. Maybe Newfoundland could. There is an opportunity for trade in energy that has not existed before.

I am surprised as well that the Premier said in his speech that when Canadian tariffs are higher than US tariffs, Canada would bear the brunt of the adjustment burden, while the US would be the big winner. One has to question that, when one starts to look at some of the benefits that are going to come out of free trade. The consumer is going to be the winner in the free trade agreement in Canada.

**Mr. Haggerty:** You don't believe that, now. Come on.

**Mr. Cousens:** I believe that immensely. I believe that is why we are here, to help protect the consumers who, three or four Christmases from now, when they are out doing their shopping, instead of having the feeling that inflation has not existed, are going to see a better price for the product.

That is what it is all about. Hopefully, our consumers will see that far more quickly than we have seen the way inflation goes: government spending goes up, inflation goes up, and the loser in the final analysis is the small buyer, the small purchaser.

In 1986, duty on US goods cost Canadians an extra \$2.1 billion, or \$80 for every man, woman and child. Consumers may save as much as \$8,000 on the construction and furnishing of a new home because of the advantages to them of the free trade agreement. That is money.

If the members look at the way the costs of homes are going up, starting a new home, and the program the government has introduced—

**Mr. Black:** Where did you get this \$8,000 figure? Come on, where did you get that?

**Mr. Cousens:** It will take us a little while to explain it.

**Hon. Mr. Peterson:** We want to know the author of this.



**The Deputy Speaker:** Order. The member will address his comments through the chair and ignore the interjections.

**Mr. Cousens:** It is hard to ignore the interjections, Mr. Speaker.

**The Deputy Speaker:** Order.

**Mr. Cousens:** The government is introducing a new home purchase plan, which it said it would during the election campaign, of \$10,000 per home, \$1,000 per year, which has not been brought in.

The fact is that there are so many aspects in the construction of a home that are imported that we can see there will be a reduction in the cost of constructing and furnishing a home of about \$8,000.

The Economic Council of Canada has predicted a decline in the consumer price index which could add \$700 to \$1,000 in purchasing power for the average Canadian worker. That is the Economic Council of Canada. The duty reduction will begin on all goods on January 1, 1989. Canadian-US duties will be phased in over a period of 10 years, so over that time every one of us will begin to benefit by lower prices in the United States.

The timetable for the consumer benefits, which the Premier in his speech was not able to give any credibility to or any credit to, has to do with the different kinds of products. The fact is that group A products, as defined by the free trade agreement, will have all their duties wiped out—it is only 15 per cent—effective January 1, 1989. The fact is that for computer equipment, fish products, whisky, most forms of leather, skis, skates, motorcycles, furs and fur coats, that will become in effect on January 1, 1989.

A reduction of 20 per cent will take place on group B products, and group B products have approximately 35 per cent of all their goods subject to duty. Those are such things we import from the United States as furniture, paint, stationery, most paper products and communications equipment. Those products will have a 20 per cent reduction as of January 1, 1989. Then those products, by January 1, 1992, will be duty free.

For group C products, which is another major group of imported goods that we take in from the United States, 50 per cent of all the value of these products is subject to duty: textiles, home appliances, most food products, drugs and cosmetics, a wide range of manufactured goods. As of January 1, 1989, there will be a 10 per cent reduction in the importation costs of those products and then duty on those products will be

phased out over a period of 10 years at an amount of 10 per cent a year, so in five years, textiles, home appliances, home food products, drugs and cosmetics will be cheaper for Canadians to buy.

A cornerstone of the free trade agreement between Canada and the United States is the elimination of tariffs. That is going to mean benefit for all Canadians. How can they say it is not good? First of all—

**Mr. South:** Where will the government get the money when you reduce the tariff?

**Mr. Cousens:** I will spend some time answering that question.

The first thing is that imported goods will cost less once the duties are eliminated. It is where tariffs are highest on clothing, domestic appliances, farm products, furniture and a wide range of manufactured goods that price changes will be most substantial.

Here are a few examples. In 1986, in Canada, we imported 16,329 overcoats from the United States and paid \$356,000 in duty or approximately \$22 per coat. That will be eliminated. A sofa in Canada that sells for \$750 would be reduced to \$670 under a free trade agreement. The retail price of sports and recreational equipment would be reduced by eight per cent. On three million square metres of carpeting and rugs from the United States last year, consumers paid more than \$6 million in duty. This means savings of \$300 or more for wall-to-wall carpeting on an average home. The consumer will benefit by the free trade agreement.

**Hon. Mr. Kwinter:** Yes, and everyone will lose his job. Why do you think tariffs are there?

**Mr. Cousens:** If the member believes they are going to lose their jobs, he should go back to some of the previous forecasts of the Economic Council of Canada. They have indicated there will not be a significant decrease in jobs.

**Hon. Mr. Peterson:** Did the Prime Minister's Office cover the other side of this?

**Hon. Mr. Kwinter:** Did the PMO cover the other side of this in the speech?

**The Deputy Speaker:** Order.

**Mr. Cousens:** I do not know what the members are talking about. The first thing we have made a point of, and we must continue to remind all Canadians of it, is that there are benefits to them by having the elimination of tariffs, so that when they go to purchase things, when they go to furnish their home, they will be the beneficiaries. That has not been said by the Premier or his government.



**Hon. Mr. Kwinter:** Why do you think tariffs are there? The workers will lose their jobs.

**Mr. Cousens:** It has not been said by the Minister of Industry, Trade and Technology either. His committee has been out around the province getting all kinds of information and he has not come back to the House and reported on it. All he is doing is giving a biased report, selective information.

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Prices of Canadian goods will also drop to compete with the less expensive American products. As the selling price of imported goods declines, Canadian manufacturers and retailers will have to lower their prices to remain competitive. Lower prices mean a lower consumer price index, and as goods become less expensive the consumer will have more spending power.

Here are a few examples of that. Percentage-wise, low-income earners will benefit the most. They spend the same amount as the rest of us on their base products, but they will benefit because then they can go out and make those purchases of Canadian products and not have to pay—

**Mr. Philip:** Why does the Consumers' Association of Canada not endorse free trade, if it is so great for the consumers?

**Mr. Cousens:** You will have your chance to participate in this debate, I am sure, before we are finished.

Young consumers purchasing larger items, such as cars and homes, stand to gain more. For instance, a couple purchasing a new home could save the amount that I mentioned earlier, because it affects their furniture, it affects the implements in the house, it affects everything.

Senior citizens who rely on a fixed income will also see an improvement in their purchasing power from price reductions in a wide range of consumer products. Based on a lower consumer price index, buying power for a consumer earning \$23,000 a year could increase by \$700 to \$1,000 per year.

I am convinced that increased competition will spur producers on both sides of the border to improve the quality of their goods but, at the same time, to reduce their prices. Canadian producers will have access to the larger American market. Production costs will fall as they sell more goods to US consumers. More competition will encourage producers on both sides of the border to improve quality. Consumers can expect lower prices from production savings, higher-quality goods and a greater variety of goods.

I do not think there is any doubt that what we are going to see through the changes of the free trade agreement is that the Canadian consumer is going to be the beneficiary, and maybe that has been missed. At least, it was in the Premier's speech on November 4.

One of the other points the Premier made was that the changes affecting the auto pact would leave the automobile industry "open to multinationals to decide what is best for the Canadian industry." One wonders what the Premier is really trying to say there. Is he really saying that our whole industry is going to be eroded, that there is just going to be a significant fallthrough, that our automotive industry is just going to deteriorate? I would like to come back and consider just what that statement means.

He says it will leave the automobile industry "open to multinationals to decide what is best for the Canadian industry." I wonder if he really believes that statement. Production decisions are based on the economic competitiveness of domestic production facilities, and since the auto pact was implemented, Canadian value added in manufacturing as a percentage of the value added of domestic sales has been well above the 60 per cent safeguard level prescribed in the auto pact. Recently the Canadian value added ratio has been around 78 per cent.

Moreover, the fact that wage and benefit costs for Canadian auto workers are substantially below US levels suggests that there is no economic rationale for reduced auto production levels in Canada. The elimination of tariffs on tires and replacement parts will not hurt Canadian sovereignty but rather will increase competition for auto parts makers and lower retail prices.

The interest of Canadian consumers is not served by protective tariffs, and tariff and nontariff barriers to trade do not increase sovereignty. Indeed, it can be argued that bilateral tariff elimination increases the sovereignty of Canadian producers to produce and market goods and services with fewer foreign constraints. This reflects the principle of reciprocity that underlies trade agreements, agreements which must benefit both sides to be sustainable.

I am concerned as well with the statement that the Premier has made and that has been made by a number of speakers who are on the other side of the issue. Certainly members of the opposition say that the auto pact has been gutted, as if—a quote from the Premier—"The federal government gave away the option of extending auto pact status to offshore companies."



Let us just think of what the auto pact is all about. First of all, if anyone thinks that we could have negotiated the auto pact just on its own merits and said, "We want to come back and look at it and make some changes to it," it could not have happened. It had to be part of a larger agreement, part of a larger negotiation. The whole auto pact becomes something that is part of the Ontario business cycle.

It is interesting how people came along in 1964 and 1965. I have read a number of the quotations from Mr. Bryden when he was in the House, and Mr. Lewis, and they were condemning it as the worst thing that ever happened. Now they are so anxious to protect and save it but do not want to consider some of the other ramifications to the economy of the province by saying how the auto pact and these other options that are included within the free trade agreement are all part and parcel of a good package that is going to do something for Canada.

The extension of the auto pact to all offshore producers was not a viable option, as the federal Liberal government concluded in 1983 when it decided not to adopt this recommendation made by the report of the federal task force on the Canadian motor vehicle and automotive parts industries. The application of the auto pact to all offshore producers, which would force them to produce in Canada, would also be a violation of the GATT, the body the Premier claims should have a greater role in shaping Canada's trade policy.

The auto pact provisions concerning domestic manufacturing and Canadian value added are performance standards which represent nontariff barriers to trade. Applied universally, they would impose heavy new costs on complying firms. Their application would also likely be met with retaliatory measures by affected countries, particularly the European and far eastern countries, where Ontario believes we need to make greater efforts to gain market access.

One of the other points that was made by the Premier is that the determination of the duty remission arrangements will severely limit Ontario's ability to attract new Japanese assembly plants. Does he really believe that?

**Hon. Mr. Kwinter:** Why should they have to grandfather the GM-Suzuki deal?

**Mr. Cousens:** They have because they are already here. They are already getting started. By virtue of the fact that when the negotiations were in progress, I think some of those points had to come back and when they went into the final

proof, they were able to put them together. The fact that they recognize it shows a good sign.

It also shows that when the agreement was finally struck, there was a sense in which the transportation industry—and I know there are a number of other industries—received some special consideration. OK, that is good.

**Hon. Mr. Kwinter:** Do you understand what you are reading? Do you understand the agreement?

**Mr. Cousens:** I do understand. I wish the minister did and I wish he would stand up and make some kind of speech in defence of his actions.

**The Deputy Speaker:** Order.

**Mr. Cousens:** I do not think there is any doubt that this House is disgusted at the fact that his government has come along and had a little sideshow that travelled around the province and got a certain amount of data but he has not even come back in the House and made a statement to us. What is he trying to do there? He comes in the House late in the day, he comes along and starts making points, but he has not come out and said honestly where he stands and why he stands there.

We also know there are people in his own cabinet who have different views from the minister and the Premier. There are a number of people in his cabinet saying, "Hey, maybe we should not be coming on so strong on free trade as being opposed to it." I think that gives some element of truth to the point that is coming from the opposition.

The fact of the matter is that the minister and his government have come out against free trade but they are not universally together on it within their own cabinet. The fact that they are making us sit here and debate this at this point, when in fact they have brought forward—

**Mr. Reycraft:** We are ready to vote.

**Hon. Mr. Grandmaitre:** We are ready to vote.

**Mr. Cousens:** No, no.

**Mrs. Marland:** They choose who they listen to.

**Mr. Cousens:** They choose who to listen to.

**The Deputy Speaker:** Order.

**Mr. Cousens:** They have brought forward a motion here which, there is no doubt, is a foul deal on this House, because there was an agreement that there was going to be a debate. It is a foul deal. If the Minister of Industry, Trade and Technology knows so much about free trade,



he should come on up and participate in the debate. It is probably the most important debate we will have to take in this parliament.

The minister should come on out and open up the kimono. He should tell us what he is really thinking. He should give us the truth.

Interjections.

**Mr. Cousens:** I do not want to see it totally open, but I would like to see the truth laid on the table, especially from the minister.

We are concerned with the fact that we are not

dealing with all the facts and all the information, because the government is not tabling it all. Therefore, in this debate we are going to continue to try—

**The Deputy Speaker:** Order. It being six of the clock, would you like to move the adjournment of the debate?

On motion by Mr. Cousens, the debate was adjourned.

The House adjourned at 6 p.m.



## ANSWERS TO QUESTIONS IN ORDERS AND NOTICES

### OPERATION FALCON

**19. Mr. Wildman:** Would the Minister of Natural Resources provide the following information: (1) What was the exact role of the ministry staff in Operation Falcon? (2) What was the total cost to Ontario taxpayers for provincial participation in this operation? (3) What were the total man-hours expended by ministry staff on this operation? [Tabled November 24, 1987]

**Hon. Mr. Kerrio:** Summary of ministry involvement in Operation Falcon:

1. Operation Falcon is the case name assigned to the United States Fish and Wildlife Service's investigation into the illegal trade in falcons. (A covert investigation).

2. On March 5 and 6, 1984, special agents of the US Fish and Wildlife Service, Washington, DC, briefed Officers Meerveld and Jean-Marie of Cambridge district, Ministry of Natural Resources, as to their investigation codenamed Operation Falcon. The US Fish and Wildlife Service case reports which implicated Canadians were provided at this time.

3. United States authorities requested the co-operation of Ministry of Natural Resources (Meerveld and Jean-Marie) to co-ordinate the execution of search warrants on Canadians so that it would coincide with the execution of search warrants on Americans who had been implicated in their investigation.

4. In June 1984, Meerveld and Jean-Marie briefed the authorities in British Columbia (Ministry of Environment) and Yukon Territory (RCMP and Renewable Resources) as to the illegal activities which had been identified within their jurisdictions. Informations to obtain search warrants were sworn out in these two jurisdictions by Meerveld and Jean-Marie at this time. The manner in which this was done was for security reasons.

5. On June 29, 1984, search warrants were executed in Ontario, British Columbia, Yukon Territory and in 14 states through the United States.

6. Ministry of Natural Resources' involvement was to execute warrants on Ontario suspects only, with the assistance of the RCMP.

7. Subsequently, charges were laid by Ministry of Natural Resources officials against several Ontario residents and foreign nationals for violation of the Criminal Code of Canada, the Export and Import Permits Act and the Customs

Act. This action was taken with the approval and direction of the Department of Justice (Canada).

8. In the fall of 1984, Glen S. Luckman of Ontario was arrested in Montana, USA. As a result of a plea bargain arrangement between Brian Greenspan, counsel for Luckman, and the US and Canadian departments of Justice, evidence was provided by Luckman against many of his business associates.

9. On November 18-22 inclusive, Luckman was debriefed by officials of the US Fish and Wildlife Service, Ministry of Environment (British Columbia), Renewable Resources (Yukon Territory), RCMP and Ontario Ministry of Natural Resources.

10. As a result of evidence gained from Luckman concerning violations taking place in Ontario, further charges were laid by Ministry of Natural Resources officials against several Ontario residents and foreign nationals. This action was taken with the approval and direction of the Department of Justice (Canada).

Ontario involvement in the birds of prey investigation which took place pre-Operation Falcon:

1. In the summer of 1979, Ministry of Natural Resources officials (Jean-Marie and Giesche) conducted an investigation of persons involved with the suspected illegal captivity of birds of prey in Ontario. The investigations placed particular emphasis on indigenous species either taken or held captive by these individuals. This investigation concluded that there were people from across North America involved with the illegal trade in raptors. No overt action was taken at this time.

2. In the fall of 1981, information was received by Ministry of Natural Resources officials from a confidential informant. This informant identified John H. Slaytor, Wilfred Emonts and Kim Saltarski as having made a trip to the Yukon and Northwest Territories during the summer of 1981. It was alleged that they had stolen eyas peregrine falcons from the nest and brought them back to Ontario for eventual shipment to Saudi Arabia.

3. Ministry of Natural Resources conservation officers initiated and in-depth investigation into the allegations. As a result, in 1983 charges were laid against these three individuals for conspiracy under the Criminal Code of Canada and Export and Import Permits Act violations. This action



was taken with the approval and direction of the Department of Justice (Canada).

4. Intelligence information was gathered during this period on John H. Slaytor and his associates.

Note: An investigation into violations of the Game and Fish Act concerning birds of prey was also undertaken during this time period. It is our contention that this investigation is a separate entity from Operation Falcon.

**General expenditures**  
(i.e., travel, meals, accommodation)

Pre-Operation Falcon (1979–February 1984; i.e., birds of prey investigation)	\$ 7,037.00
Operation Falcon (March 1984–present)	\$12,343.00
Total general expenditures	<u>\$19,380.00</u>

**Person-hours and salary costs  
for investigators and clerical staff**

		<b>Person- hours</b>	<b>Salary costs</b>
Pre-Operation Falcon (1979–February 1984; i.e., birds of prey investigation)	Regular	1470.0 hrs	\$ 20,581.00
	Overtime	151.5 hrs	\$ 3,181.00
	Subtotal	<u>1612.5 hrs</u>	<u>\$ 23,762.00</u>
Operation Falcon (March 1984–present)	Regular	4866.5 hrs	\$ 68,131.00
	Overtime	866.5 hrs	\$ 18,196.00
	Subtotal	<u>5733.0 hrs</u>	<u>\$ 86,327.00</u>
<b>Total person-hours and salary costs</b>		<u>7354.5 hrs</u>	<u>\$110,089.00</u>
Total costs of the birds of prey investigation			\$ 30,799.00
Total costs of Operation Falcon			\$ 98,670.00

**RECYCLING**

**21. Mrs. Marland:** Would each minister provide a report on the percentage of recycled paper used by the ministry, including a report on the cost of total paper supplies, the number of publications produced by the ministry in 1986-87 over 10 pages, the number of publications produced by the ministry in 1986-87 under 10 pages, the number of brochures and information packages, and the percentage of these publications produced using recycled paper? [Tabled November 26, 1987]

**Hon. Mr. Patten:** Most common papers contain some recycled material which ranges up to 100 per cent depending on the type of product and the mill production run. For a limited number of paper items, suppliers are asked to provide estimates concerning the percentage of recycled material. These range from 0 to 45 per cent for bond and fine papers to 90 to 100 per cent for containers and paper towels.

The common object codes used in government accounting do not distinguish paper products as a separate item. Therefore, it is impossible to determine total government expenditures on paper products.

Publications, brochures and information kits

are usually printed by private sector firms. There is no information available on the recycled content used by these suppliers.

**CO-OPERATIVE HOUSING**

**23. Mr. McLean:** Would the Minister of Housing provide the number of subsidized co-operative housing applications approved for Simcoe county since July 1985? [Tabled December 2, 1987]

**Hon. Ms. Hošek:** Ministry of Housing records indicate that six subsidized co-operative housing applications have been submitted from Simcoe county between July 1985 and December 7, 1987:

Coral Co-op Housing Corp., Orillia, 55 units; not recommended in view of need (1985).

Mountainview Co-op, Midland, 50 units; approved under federal ILM program (1986).

Angus Co-op, Angus, 30 units; not recommended in view of need (1987).

Huron Family Housing Co-op, Orillia, 20 units (scattered), federal 56.1 urban and native nonprofit program; approved (1986).

Couchiching Co-op, Orillia, 30 units; approved (1985).

Couchiching Co-op, Orillia, 40 units; approved (1987).



<b>Total number of projects</b>	<b>Total number of units</b>	Simcoe county from July 1985 to December 2, 1987:
6	225	Mountain View Co-op, Midland (1986).
<b>Total number of approved projects</b>	<b>Total number of approved units</b>	Huron Family Housing Co-op, Orillia (1986).
4	140	Couchiching Co-op, Orillia (1985).
		Couchiching Co-op, Orillia (1987).

**24. Mr. McLean:** Would the Minister of Housing provide a list of the subsidized co-operative housing applications approved for Simcoe county since July 1985? [Tabled December 2, 1987]

**Hon. Ms. Hošek:** Ministry of Housing records indicate that four subsidized co-operative housing applications have been approved for

**25. Mr. McLean:** Would the Solicitor General provide a list of the coroners appointed in Ontario since July 1985, including their names, addresses and regions? [Tabled December 2, 1987]

**Hon. Mrs. Smith:** The attached document is in response to the question.

Coroner appointments from July 1985

Name and address	Date appointed	Region
Dr. Donald G. Smith 290 Peel St. Collingwood, Ontario L9Y 3W2	Oct. 3, 1985	SGB
Dr. Kenneth J. Reynolds 19-80 Division St. Trenton, Ontario K8V 5S5	Oct. 3, 1985	E
Dr. G. Richard Mann 1004 Queen St. Box 220 Kincardine, Ontario N0G 2G0	Oct. 3, 1985	SGB
Dr. Robert C. Williams 690 Riverpark Rd. #501 Timmins, Ontario P4P 1B4	Oct. 3, 1985	A
Dr. David Y. Harano 135 Sixth Ave. Cochrane, Ontario P0L 1C0	Oct. 3, 1985	A
Dr. M. Mitchell-Gill 911 Simcoe St. N. Oshawa, Ontario L1G 4W1	Oct. 3, 1985	C
Dr. Albert E. Lauwers Box 16 Kirkfield, Ontario K0M 2B0	Oct. 21, 1985	A
Dr. Indrajeet Deepan 4 Montreal Rd. Cornwall, Ontario K6H 6G2	Oct. 21, 1985	E



Name and address	Date appointed	Region
Dr. David G. Lowe 1300 Central Parkway W. Mississauga, Ontario L5C 4G8	Nov. 28, 1985	C
Dr. L. Blair Pierce 1225 Wonderland Rd. N. London, Ontario N6G 2V9	March 26, 1986	SW
Dr. K. J. Rodney Box 549 Seaforth, Ontario N0K 1W0	Feb. 19, 1986	SW
Dr. T. J. Kirkwood-Hackett 49 Doxsee Ave. S. Campbellford, Ontario K0L 1L0	March 21, 1986	A
Dr. John Simpson Box 34 Moose Factory P0L 1W0	Feb. 19, 1986  (resigned August 1986)	A
Dr. Lawren S. Hicks 550 Ingersoll Ave. Woodstock, Ontario N4S 4Y3	June 2, 1986  (resigned September 1986)	SW
Dr. John A. Murray Box 2060 Wawa, Ontario P0S 1K0	Feb. 19, 1986	NW
Dr. D. Bruckschwaiger 1661 Trafalgar St. London, Ontario N5W 1X2	June 2, 1986	SW
Dr. Bruce Martin Box 277 Kirkland Lake, Ontario P2N 3H7	Aug. 28, 1986	A
Dr. David Clarkson 1300 Central Parkway W. Mississauga, Ontario L5C 4G8	July 17, 1986	C
Dr. Patrick Gallagher 205 Francis St. E. Fenelon Falls, Ontario K0M 1N0	July 24, 1986	A
Dr. Gabriel Vadasz 726 Bloor St. W., #307 Toronto, Ontario M6G 1L4	Sept. 19, 1986	Metro
Dr. Emil A. Jarecsni 106 Talbot St. W. Leamington, Ontario N8H 1N1	Oct. 23, 1986	SW



Name and address	Date appointed	Region
Dr. L. S. Zavodni 648 Main St. E. Hamilton, Ontario L8M 1J8	Sept. 19, 1986	N
Dr. Nathan De Jager 800 Princess St., Suite B4 Kingston, Ontario K7L 5E4	Jan. 14, 1987	E
Dr. Donald H. Eby Box 220 Flesherton, Ontario N0C 1E0	Feb. 26, 1987	SGB
Dr. Patrick A. Logan Box 563 Matheson, Ontario P0K 1N0	July 9, 1987	A
Dr. Michael Hill 29 Munday Ave. Kapusksing, Ontario P5N 1R1	July 9, 1987	NE
Dr. Edmund K. Y. Wong Fort Frances Clinic Fort Frances, Ontario P9A 2C1	July 9, 1987	NW
Dr. Gonzalo Perales 1001 Ridgeway St. Thunder Bay, Ontario P7E 5H8	Oct. 30, 1987	NW
Dr. Jean Anawati 180 Nipissing St. Box 2320 Sturgeon Falls, Ontario P0H 2G0	July 22, 1987	A
Dr. Henry H. Chapeskie Box 280 Whitney, Ontario K0J 2M0	July 22, 1987  (resigned August 1987)	A
Dr. Karen Smith 47 Buchanan Dr. Unionville, Ontario L3R 4C4	July 22, 1987	C
Dr. David C. Coates 550 King St. Port Colborne, Ontario L3K 4H6	Nov. 5, 1987	N
Dr. J. P. MacKay Box 130 Parry Sound, Ontario P2A 2X2	Oct. 30, 1987  (resigned as regional coroner)	NE
Dr. E. P. King 25 Hill Cres. Scarborough, Ontario M1M 1H7	July 9, 1987  (resigned as regional coroner)	Metro



Name and address	Date appointed	Region
Dr. Donald J. Delahaye Box 238 Moose Factory, Ontario P0L 1W0	Dec. 3, 1987	A
Dr. Nihad Fahmi Box 34 Moose Factory, Ontario P0L 1W0	Dec. 3, 1987	A
Dr. W. C. Harris 275 Ontario St., Suite 402 Kingston, Ontario K7K 2X5	*Nov. 26, 1987	E
Dr. Peter Clark 291 Charlotte St. Peterborough, Ontario K9J 2V6	*Nov. 26, 1987	C
Dr. James G. Young 26 Grenville St. Toronto, Ontario M7A 2G9	**Nov. 26, 1987	Metro
Dr. R. Bruce Penton Box 580 St. Catharines, Ontario L2R 6W8	**Nov. 26, 1987	N
Dr. John Potts 479 Government Rd. Dryden, Ontario P8N 3B3	**Nov. 26, 1987	NW
Dr. R. Douglas MacKinlay Box 604 Sarnia, Ontario N7T 7J4	**Nov. 26, 1987	SW
Dr. J. K. Strathearn 10 Peter St. N. Orillia, Ontario L3V 4Y7	**Nov. 26, 1987	SGB

\*Appointed as coroner prior to July 1985 but appointed as regional coroner since July 1985.

\*\*Appointed as coroner and regional coroner prior to July 1985 but reappointed as regional coroner since July 1985 as a result of regional boundary changes.

SW – Southwestern region

SGB – South Georgian Bay region

N – Niagara region

E – Eastern region

A – Algonquin region (changing to Northeastern region)

NW – Northwestern region

C – Metropolitan Toronto and Central region

## ONTARIO HYDRO'S ANNUAL REPORT

Ontario Hydro annual report? [Tabled December 2, 1987]

**29. Mr. McLean:** Would the Minister of Energy provide the tendered prices of four of the finalists applying for contracts to print the 1986

**Hon. Mr. Wong:** The four lowest tendered bids for printing Ontario Hydro's 1986 annual report were as follows: \$89,900; \$95,935;



\$96,220; and \$98,895. The low bidder was selected.

BUDGET

**30. Mr. Harris:** Would the Minister of Treasury and Economics provide a detailed breakdown of the anticipated in-year expenditure savings and constraints referred to on page 50 of the minister's 1987 budget document, specifically itemizing, ministry by ministry, the anticipated in-year savings of \$275 million from budgeted operating expenditures and \$75 million from budgeted capital expenditures? [Tabled December 3, 1987]

**Hon. Mr. R. F. Nixon:** Of the total of \$350 million expenditure savings and constraints anticipated in the 1987 budget, approximately \$150 million will be found from year-end savings and will be reported when they are realized at the time of the 1988 budget. Underspensing of this magnitude is generated each year from lapsed appropriations and other balances remaining in the more than 4,000 accounts maintained across ministries.

Furthermore, ministries are currently reviewing their expenditure budgets to determine where reductions can be made to decrease expenditures by the remaining \$200 million. Details will be reported to Management Board prior to the end of the fiscal year.

TRANSITIONS PROGRAM

**33. Mr. Jackson:** Would the Minister of Skills Development provide the names of all universities and community colleges which, as of November 26, 1987, had been sent copies of Transitions brochures and application forms, along with the names of the individuals to whom these were sent, and the positions thereof? [Tabled December 3, 1987]

See sessional paper 137.

**35. Mr. Jackson:** Would the Minister of Skills Development provide details of all communications, both written and oral, taking place on or before November 30, 1987, between representatives of the government and the federal Department of Employment and Immigration concerning the continuation of unemployment insurance benefits to Transitions participants, including the dates of such communications, the texts thereof (if written), the locations thereof (if oral), and the names and positions of the individuals involved? [Tabled December 3, 1987]

**Hon. Mr. Curling:** Attached is a chronology of communications between ministry officials

and representatives of Employment and Immigration Canada concerning the continuation of unemployment insurance benefits to Transitions participants plus copies of written correspondence.

**37. Mr. Jackson:** Would the Minister of Skills Development provide details of all Transitions moneys spent as of December 1, 1987, including the amount allocated to institutions of learning involved in the retraining of participants, the amount allocated to employers involved in the retraining of participants and the amount allocated to administrative costs? [Tabled December 3, 1987]

**Hon. Mr. Curling:** The following details the moneys spent on the Transitions program as of December 1, 1987.

	Moneys expended as of December 1, 1987
Institutions of learning	\$11,977
Employers	0
Administrative costs (including program startup costs)	50,251

**39. Mr. Jackson:** Would the Minister of Skills Development provide, in aggregate terms, the sources of primary income support for all Transitions participants as on December 1, 1987, including the number of participants whose primary source of income was unemployment insurance benefits, the number of participants whose primary source of income was social assistance in one form or another, the number of participants whose primary source of income was the Ontario student assistance program, and the number of participants who were relying on some other source of income support? [Tabled December 3, 1987]

**Hon. Mr. Curling:** Information of this nature is not requested of applicants to Transitions since their eligibility for training credits is not dependent on the sources of income support.

**50. Mr. Jackson:** Would the Minister of Skills Development provide the number of Transitions applications which had been received as of November 30, 1987? [Tabled December 3, 1987]

**Hon. Mr. Curling:** There were 855 applications received for Transitions credits as of November 30, 1987.

**51. Mr. Jackson:** Would the Minister of Skills Development provide the number of



Transitions applications which had been processed as of November 30, 1987? [Tabled December 3, 1987]

**Hon. Mr. Curling:** Of the 855 applications received, 771 had been processed as of November 30, 1987.

**52. Mr. Jackson:** Would the Minister of Skills Development provide the number of persons who, as on November 30, 1987, were participating in some form of retraining under the Transitions program? [Tabled December 3, 1987]

**Hon. Mr. Curling:** As of November 30, 1987, 23 applicants to Transitions were participating in some form of training or retraining under the program. Applicants can take up to two years to undertake training after receiving program approval.

**53. Mr. Jackson:** Would the Minister of Skills Development provide the number of persons who, as of November 30, 1987, had successfully completed some form of retraining under the Transitions program? [Tabled December 3, 1987]

**Hon. Mr. Curling:** As of November 30, 1987, no applicant had completely finished training or retraining under Transitions. Each applicant has up to two years to use the training credit of \$5,000 under the program.

**55. Mr. Jackson:** Would the Minister of Skills Development provide the number of individuals who, as of December 1, 1987, had been cut off unemployment insurance benefits while undergoing retraining under the Transitions program? [Tabled December 3, 1987]

**Hon. Mr. Curling:** The ministry is aware of only one case where a Transitions participant may have been cut off unemployment insurance benefits. The participant, who is enrolled in a library technician's course, was informed that they should expect to be ineligible to continue receiving unemployment insurance benefits while enrolled. Representatives of the ministry's corporate policy unit are in the process of verifying if in fact benefits were withdrawn.

**57. Mr. Jackson:** Would the Minister of Skills Development provide, in view of the statements contained on page 3 of the Transitions participant information brochure, a list of all Canada employment centres, regional apprenticeship offices, Ontario help centres and other community organizations which, as of December 1, 1987, had been sent copies of the Transitions brochure, and the dates of delivery thereof? [Tabled December 3, 1987]

See sessional paper 138.

**61. Mr. Jackson:** Would the Minister of Skills Development provide details of any conversations which took place on or before December 1, 1987, between officials from his ministry and officials from the Ministry of Colleges and Universities, and which concerned the application by Transitions participants for grants and/or loans under the Ontario student assistance program, including the names and positions of the individuals involved, the dates of the conversations, and any records thereof? [Tabled December 3, 1987]

**Hon. Mr. Curling:** During the course of many discussions which were held between officials of the Ministry of Skills Development and officials of the Ministry of Colleges and Universities, the issue of Transitions participants accessing OSAP was not raised. Individuals who are laid off are eligible for unemployment insurance benefits. The Ministry of Skills Development is working with the federal government to ensure that Transitions participants wishing to undertake training in an institution will continue to qualify for income support under the Unemployment Insurance Act. Other aspects of the Transitions program were subject to review between officials of both ministries.

#### FUTURES PROGRAM

**34. Mr. Jackson:** Would the Minister of Skills Development provide details of all purchases of refrigerators, microwave ovens and other appliances by Futures offices? [Tabled December 3, 1987]

**Hon. Mr. Curling:** Information cannot be provided on the details of all purchases of refrigerators, microwave ovens and other appliances by Futures offices. Such level of detail is not collected through the annual financial statement process. In addition, the budget process is such that an overall allocation is provided to each office within broad subcategories. Within these subcategories, discretion is allowed to purchase equipment items which the centre considers necessary in order to operate and to provide service to the clientele using the centre.

**36. Mr. Jackson:** Would the Minister of Skills Development provide details of Futures money allocations for 1987-88, including the amounts allocated to community colleges, the amounts allocated to youth employment counselling centres, the amounts allocated to other organizations and a further breakdown for each group of the amount specifically allocated to each program and the amount allocated to



administrative and other nonprogram costs? [Tabled December 3, 1987]

**Hon. Mr. Curling:** The response is:

**1987-88 Allocations (\$000s)**

	<b>Program Costs</b>	<b>Administration</b>
CAATs	111.0	6.2
YECCs	34.7	.6
Other organizations	4.8	.07

**40. Mr. Jackson:** Would the Minister of Skills Development provide the details of the midyear fiscal review of Futures allocations, including the names of delivery agents who said they did not require all Futures funds initially allocated and the amounts that were surplus, and the names of delivery agents who said that they would need additional funds and the amounts required? [Tabled December 3, 1987]

**Hon. Mr. Curling:** The 1987-88 midyear budget review is currently under way.

**46. Mr. Jackson:** Would the Minister of Skills Development provide, in view of the response of the deputy minister sent to the Provincial Auditor and received thereby on October 7, 1987, details of any and all changes to Futures allocations which, as of December 1, 1987, had resulted from information obtained by the midyear review of Futures allocations for the current fiscal year? [Tabled December 3, 1987]

**Hon. Mr. Curling:** The 1987-88 midyear budget review is currently under way.

**47. Mr. Jackson:** Would the minister of Skills Development provide, in view of the response of the deputy minister sent to the Provincial Auditor and received thereby on October 7, 1987, details of the procedures which, as of December 1, 1987, had been established by the ministry for ensuring compliance to the Futures guidelines? [Tabled December 3, 1987]

**Hon. Mr. Curling:** The attached describes details of the procedures which as of December 1, 1987, have been established by the ministry for ensuring compliance to the Futures guidelines.

Details of the procedures established by the Ministry of Skills Development ensuring compliance to the Futures guidelines.

1. During the 1986 onsite program reviews conducted during July-October by ministry officials, a major emphasis was to ensure that documentation of assessments, eligibility, exceptions, training plans and monitoring of client progress was properly recorded and that required

program procedures were in fact being conducted in an appropriate manner.

Reports on these program reviews contained recommendations for corrective measures where such procedures or their documentation were deficient, and these recommendations were communicated to the appropriate program manager and to the college president or counselling centre director.

Follow-ups of the remedial action taken have been confirmed or are being investigated during the current 1987 program reviews by ministry staff.

2. Futures program guidelines for 1987 (issued April 1, 1987) clarified issues of eligibility, the degree of documentation required, limits and requirements for exceptions, etc.

A new section to the guidelines dealt with the exceptions ledger and those areas which could form the basis for exceptions being granted.

The ministry is presently working on updating the program guidelines for 1988-89 and will provide further clarification of issues or concerns which may have arisen during the 1987 program reviews.

**48. Mr. Jackson:** Would the Minister of Skills Development provide, in view of comments contained on page 100 of the annual report of the Provincial Auditor for the year ended March 31, 1987, details of ministry initiatives as of December 1, 1987, to ensure the verification of Futures eligibility data? [Tabled December 3, 1987]

**Hon. Mr. Curling:** The program guidelines require delivery organizations to have participants provide proof of age by birth certificate or driver's licence. As well, length of time out of work and school is verified with previous employers and schools respectively by the delivery organizations.

The ministry conducts program reviews with one purpose being to audit the delivery organizations to ensure that Futures eligibility requirements are adhered to for participants.

Reviews have been conducted by ministry staff from September 1987 and will continue until February 1988 to ensure compliance of delivery organizations to program guidelines including eligibility of participants.

**59. Mr. Jackson:** Would the Minister of Skills Development provide a list of all youth employment counselling centres which began operations since January 1, 1987, their sponsoring agencies and which of them have received funding for Futures programs as of December 1, 1987? [Tabled December 3, 1987]



**Hon. Mr. Curling:** The attached list describes all youth employment counselling centres which began operations since January 1, 1987, their sponsoring agencies and which of them have received funding for Futures programs as of

#### **Centres**

Youth Resources Centre (Vanier)

Collingwood and District Youth Employment Counselling Centre (Collingwood)

Operation Springboard (Toronto)

#### **Services**

Focus (Alliston)

Second Chance County YES (Fergus)

Since January 1, 1987, there are three youth employment counselling centres and two youth employment counselling services which have begun operations.

#### **Corporate sponsor**

Youth Services Bureau of Ottawa-Carleton

Family and Children's Services of Simcoe County

Operation Springboard Inc.

Stevenson Memorial Hospital

Second Chance Employment Counselling (Wellington) Inc.

As of December 1, 1987, only Operation Springboard has received funding for Futures.

Collingwood and District Youth Employment Counselling Centre has applied to deliver Futures. On December 16, 1987, ministry staff and the Collingwood Futures office and youth employment counselling centre will be meeting to discuss the application.

**60. Mr. Jackson:** Would the Minister of Skills Development provide details of any changes to guidelines for the approval of Futures funding to youth employment counselling centres since January 12, 1987? [Tabled December 3, 1987]

**Hon. Mr. Curling:** There have been no changes to the guidelines for the approval of Futures funding to youth employment counselling centres since January 12, 1987.

**62. Mr. Jackson:** Would the Minister of Skills Development provide a list of all youth employment counselling centres which he visited between September 26, 1987, and December 1, 1987, including the duration of his stay, the names and positions of the individuals contacted, and the date of each visit? [Tabled December 3, 1987]

**Hon. Mr. Curling:** Mr. Curling was not sworn in until September 29, 1987. The minister has not visited any youth employment counselling centres during the period September 26, 1987, to December 1, 1987.

#### **HELP CENTRES**

**41. Mr. Jackson:** Would the Minister of Skills Development provide the dates final

contracts for 1987 were sent to each of the older workers' help centres and the dates when they were returned? [Tabled December 3, 1987]

**Hon. Mr. Curling:** The attached list provides the dates final contracts for 1987 were sent to each of the older workers' help centres and the dates when they were returned.

**42. Mr. Jackson:** Would the Minister of Skills Development provide the amount of funds provided to each older workers' help centre from the ministry since January 1, 1987, the date and amount of each disbursement and the arrangements for the disbursement of funds from the ministry to the centre as set out in each contract, and any correspondence authorizing changes to the contract disbursements? [Tabled December 3, 1987]

**Hon. Mr. Curling:** The attached list provides disbursements to Ontario help centres from the ministry since January 1, 1987.

**43. Mr. Jackson:** Would the Minister of Skills Development provide the details of all conversations between staff members of his ministry and representatives of the Oakville 50 Plus agency (Hopedale Mall) subsequent to 2:30 p.m., November 30, 1987, including the names and the positions of the persons involved, the relevant dates, the subject of the conversations and the results thereof? [Tabled December 3, 1987]

**Hon. Mr. Curling:** The attached details all conversations between staff members of the ministry and representatives of the Oakville 50 Plus agency (Hopedale Mall), subsequent to 2:30 p.m. November 30, 1987.



**44. Mr. Jackson:** Would the Minister of Skills Development provide details of all visits he has made to unemployed older workers' help centres between September 26, 1987, and December 1, 1987, including the names and locations of the centres visited, the dates thereof, and the time spent on each visit? [Tabled December 3, 1987]

**Hon. Mr. Curling:** Mr. Curling was not sworn in until September 29, 1987. The minister has not visited any Ontario help centres during the period September 26, 1987, to December 1, 1987.

**45. Mr. Jackson:** Would the Minister of Skills Development provide details of all conversations held between him and representatives of unemployed older workers' help centres between September 26, 1987, and December 1, 1987, including the names and positions of the persons with whom he met or made contact, the names and locations of the centres represented by such persons, and the dates of these conversations? [Tabled December 3, 1987]

**Hon. Mr. Curling:** It is presumed that the question refers to participants in the Ontario help centres program. The minister met with Dennis Nelson, president of the board, and Donna Faught and Don Jones, two members of the board of directors of the Sault and District Unemployed Help Centre on November 25, 1987. The purpose of the meeting was to request the minister to waive the matching funding criteria. The matching funding criteria cannot be waived. The minister agreed to advance \$6,000 to the centre for a one-month period on the understanding that all terms and conditions of the Ontario help centres program contract are met and alternate sources of community funding are pursued.

Mr. Curling was not sworn in until September 29, 1987. No other conversations with representatives of Ontario help centres were held by the minister in the period September 26, 1987, to December 1, 1987.

**56. Mr. Jackson:** Would the Minister of Skills Development provide a list of all older workers' help centres which, as of December 1, 1987, had informed the ministry that under the matching funding formula they would not be able to survive the current fiscal year, the text of all communications between the ministry and these centres as of December 1, 1987, and any results as of that same date? [Tabled December 3, 1987]

**Hon. Mr. Curling:** It is presumed that the question refers to participants in the Ontario help

centres program. As of December 1, 1987, the Sault and District Unemployed Help Centre and the Oakville Fifty-Plus Help Centre had informed the ministry they were unable to meet the matching funding criteria for this fiscal year.

The former manager of the Sault and District Unemployed Help Centre sent a copy of the attached letter to the Premier July 16, 1987. The Minister of Skills Development's response is also attached. In November, the minister met with representatives of the Sault and District Unemployed Help Centre and agreed to advance funds to them for a one-month period on the understanding that all terms and conditions of the Ontario help centres program are met and alternate sources of community funding are pursued.

Copy of letter dated July 16, 1987:

Honourable Premier David Peterson,  
Minister of Northern Development and Mines,  
Queen's Park,  
Toronto, Ontario.

Dear Mr. Premier:

The Sault and District Unemployed Help Centre is facing a crisis situation.

The Ontario help centres program under the Ministry of Skills Development has approved our application for funding for \$65,000. This amount is contingent on the help centre securing matching funds from other levels of government.

To date, we have not been successful in securing these funds from the federal government or the municipal government.

In order to keep the much-needed help centre operating, I am requesting your support. Would you consider asking the Honourable Greg Sorbara to waive the particular clause regarding matching funds in our contract? This, with the funding of between \$30,000 to \$40,000 from the Ministry of Community and Social Services, would enable us to continue scaled-down operations for the remainder of the fiscal year.

We will, however, continue our efforts to secure other sources of funding.

Your consideration of this request and an early response will be most appreciated.

Sincerely,  
Desmond Beck,  
Manager.

Copy of letter dated September 2, 1987:

Mr. Desmond Beck,  
Manager,  
The Sault and District Unemployed  
Help Centre,  
3 Queen Street East,



Sault Ste. Marie, Ontario,  
P6A 1Y4.

Dear Mr. Beck:

The Premier has forwarded your letter of July 16, 1987, to me regarding the financial situation of your centre.

As you know, ministry funding to a help centre is contingent upon the delivery of an employment counselling program and raising half the direct operating expenses within the community. The latter is viewed by the ministry as an effective means of ensuring local support and commitment.

In light of this, program staff will review your situation at the time of the third-quarter financial statement (January 1988). This will allow you the opportunity to continue trying to secure alternate sources of funding.

Should you have any further questions, please do not hesitate to contact program staff.

Yours truly,  
Gregory Sorbara,  
Minister.

#### JOB TRAINING

**54. Mr. Jackson:** Would the Minister of Skills Development provide, in view of his comments in the Legislature on November 30, 1987, regarding federal responsibility for job training, an explanation of what he considers to be the role and responsibilities of the government of Ontario, and in particular of the Ministry of Skills Development, with respect to the training and retraining of workers within the province? [Tabled December 3, 1987]

**Hon. Mr. Curling:** The federal government's traditional responsibility in the area of job training flows primarily from its responsibility for unemployed individuals, income support for trainees, job creation and labour market adjustment measures.

Under the current Canada-Ontario agreement on training, the federal government funds the in-school portion of apprenticeship training, the income support of apprentices during their school portion, under section 39 of the Unemployment Insurance Act, and a portion of the administrative costs for scheduling apprenticeship training.

The government of Ontario, in keeping with its constitutional responsibility for education and training, provides programs and infrastructure in the area of adult and youth employment-related skills training.

Ontario's responsibility with respect to the training and retraining of workers within the

province is carried out through a variety of programs:

Apprenticeship, through which the province administers a long-term training system for 40,000 apprentices in the skilled trades;

A training consultative service that provides quality consulting on training matters for employers through Ontario skills development offices throughout the province;

The Ontario skills program, which encourages firms to participate in training by offsetting instructional costs;

The trades updating program, which provides short-term training opportunities for individuals in the skilled trades;

Access programs that enhance awareness of training services and help individuals overcome major barriers to training, such as illiteracy;

Transitions, a program that assists laid-off workers over 45 in undertaking retraining through the provision of a \$5,000 training credit; and

A program to assist the skills upgrading of certified technicians and technologists in new and emerging technologies.

The province is also responsible for assisting employment-disadvantaged youth in the transition from school to work through the Futures program.

#### WORKING WOMEN

**58. Mr. Jackson:** Would the Minister of Skills Development provide, in view of the recommendations of his ministry's discussion paper Training Women in the Workplace, details of how the ministry has, as of December 1, 1987, responded to each of the 10 recommendations in the discussion paper, along with any results? [Tabled December 3, 1987]

**Hon. Mr. Curling:** The attached describes the Ministry of Skills Development's response to the 10 recommendations contained in the ministry's discussion paper Training Women in the Workplace.

Consistent with the overall thrust of the recommendations made to federal-provincial labour market ministers in Halifax in June 1987, the participation of women in Ministry of Skills Development programs since the creation of the ministry is as follows: 64 per cent of Ontario basic skills trainees are female, 50 per cent of Futures trainees are female and 37 per cent of Ontario skills trainees are female.

Response to specific recommendations:

"1. Governments should foster a training culture among women."



The Ministry of Skills Development encourages women to undertake training through public awareness campaigns, hotlines and vocational counselling.

Special support allowances support a training culture among women by defraying the training-related costs of child care.

MSD is working with the Ontario women's directorate and ministries responsible for the status of women in provincial, territorial and federal jurisdictions to develop a national public awareness campaign aimed at encouraging women to enter nontraditional occupations.

In addition, a public awareness campaign will be launched to encourage Ontario women to enter apprenticeship programs.

One of the initiatives designed to increase participation in apprenticeship will strengthen Linkages, a Ministry of Education program which prepares girls in school for later apprenticeship training.

These measures also implement the ninth recommendation: "Governments should promote employer-based training directly to women."

2 and 3. "Governments should increase awareness among corporate management of the need to train women," and "Government should provide consultative training and human resource planning services."

MSD offers a training consulting service through Ontario skills development offices, which is particularly aimed at small firms and the service sector, where most women work.

In addition, a training hotline helps employers obtain information and advice on training programs and subsidies.

The public awareness campaign planned to encourage women to enter nontraditional occupations will be aimed at corporate managers as well as the public.

"4. Governments should provide subsidies to encourage maximum skills training of male and female employees."

All Ontario skills trainees are eligible for special support allowances for child care, transportation and accommodation, to ensure equal access for persons in all circumstances.

"5. Governments should provide trainees with adequate child care allowances."

Special support allowances provide up to \$80 per week for one child and increased amounts for two or more children. This is similar to the training child care allowances provided by the federal government. These allowances have been found adequate to cover the training-related costs

of child care; they are not intended to cover all an individual's child care costs.

"6. Women should have full access to upgrading programs."

Ontario basic skills and Ontario basic skills in the workplace programs provide literacy, numeracy, computer and technical training at the basic level to women, with no restrictive eligibility criteria. Ontario basic skills programming is delivered to adults who are functionally illiterate.

As new lead ministry for literacy, MSD also now sponsors over 150 literacy training programs at the community level and co-ordinates literacy programs which serve women in all areas of life, including schools, colleges, prisons, and libraries.

7 and 8. "Governments should increase preparatory training for trades and assist in placement of women in trades."

These recommendations have been addressed by August 1987 apprenticeship initiatives where-in the ministry is committed to increase the number of women in apprenticeship programs by 150 per cent within five years. These initiatives involve marketing and public education, counselling, pre-trades training and placement.

"10. Client eligibility criteria under the Canadian Jobs Strategy should be adjusted to increase access by women."

MSD continues to urge the federal government to remove arbitrary eligibility criteria which have restricted access to training for many women under the Canadian Jobs Strategy.

#### INTERIM ANSWERS

**26. Mr. McLean:** Hon. Mr. Scott—The Ministry of the Attorney General will require additional time to respond to the question. A final response will be tabled on or about January 22, 1988.

**31. Mr. Cousens:** Hon. Mr. Scott—The Ministry of the Attorney General will require additional time to respond to the question. A final response will be tabled on or about January 29, 1988.

**38. Mr. Jackson:** Hon. Mr. Curling—The response to the question will be available for tabling on Monday, January 18, 1988.

#### RESPONSE TO PETITION

##### TRANSIT SERVICES

Sessional paper P-4, re updating of the equipment used by the GO Transit bus service between Oshawa and Toronto.



**Hon. Mr. Fulton:** 1. GO Transit has a policy of replacing buses according to age and condition criteria. Twelve transit buses and four highway coaches have been acquired this year under the program. For buses that have not reached their retirement age, a major overhaul program is in place to ensure that safety and comfort standards are maintained; an estimated 30 vehicles will receive this overhaul in the current year.

2. Many of GO Transit's existing older vehicles are of a modified transit configuration, purchased many years ago when fewer long-distance routes were in place than is the case now. It is acknowledged that these vehicles do not have the passenger amenities of newer

coaches, and this is taken into account as they are replaced under the above criteria.

3. A mix of new and older vehicles is assigned to each of GO Transit's operating corridors. In the specific case of the Oshawa corridor, an attempt is made to assign the newer coaches to the schedules serving York Mills-Yorkdale, where high vehicle productivity can be achieved. (The Oshawa-downtown Toronto bus service is paralleled in function by the Pickering-Union Station rail service, offering a substantially greater range of schedule opportunities.)

4. All GO Transit buses undergo a preventive maintenance regimen that ensures mechanical fitness, reliability and conformity with provincial standards.



## ALPHABETICAL LIST OF MEMBERS\*

(130 seats)

First Session, 34th Parliament

Lieutenant Governor: **Hon. Lincoln M. Alexander, PC, QC**

- 
- |   |  |
|---|--|
| Adams, Peter (Peterborough L)   | <b>Fulton, Hon. Ed</b> , Minister of Transportation (Scarborough East L)                   |
| Allen, Richard (Hamilton West NDP)  | Furlong, Allan W. (Durham Centre L)  |
| Ballinger, William G. (Durham-York L)   | <b>Grandmaitre, Hon. Bernard C.</b> , Minister of Revenue (Ottawa East L)                  |
| Beer, Charles (York North L)  | Grier, Ruth A. (Etobicoke-Lakeshore NDP)   |
| Black, Kenneth H. (Muskoka-Georgian Bay L)  | Haggerty, Ray (Niagara South L)  |
| Bossy, Maurice L. (Chatham-Kent L)  | Hampton, Howard (Rainy River NDP)  |
| <b>Bradley, Hon. James J.</b> , Minister of the Environment (St. Catharines L)        | Harris, Michael D. (Nipissing PC)  |
| Brandt, Andrew S. (Sarnia PC)   | Hart, Christine E. (York East L)   |
| Breaugh, Michael J. (Oshawa NDP)  | Henderson, D. James (Etobicoke-Humber L)   |
| Brown, Michael A. (Algoma-Manitoulin L)   | <b>Hošek, Hon. Chaviva</b> , Minister of Housing (Oakwood L)                               |
| Bryden, Marion (Beaches-Woodbine NDP)   | Jackson, Cameron (Burlington South PC)   |
| Callahan, Robert V. (Brampton South L)  | Johnson, Jack (Wellington PC)  |
| Campbell, Sterling (Sudbury L)  | Johnston, Richard F. (Scarborough West NDP)  |
| <b>Caplan, Hon. Elinor</b> , Minister of Health (Oriole L)                            | Kanter, Ron (St. Andrew-St. Patrick L)   |
| Carrothers, Douglas A. (Oakville South L)   | <b>Kerrio, Hon. Vincent G.</b> , Minister of Natural Resources (Niagara Falls L)           |
| Charlton, Brian A. (Hamilton Mountain NDP)  | Keyes, Kenneth A. (Kingston and The Islands L)   |
| Chiarelli, Robert (Ottawa West L)   | Kozyra, Taras B. (Port Arthur L)   |
| Cleary, John C. (Cornwall L)  | <b>Kwinter, Hon. Monte</b> , Minister of Industry, Trade and Technology (Wilson Heights L) |
| Collins, Shirley (Wentworth East L)   | Laughren, Floyd (Nickel Belt NDP)  |
| <b>Conway, Hon. Sean G.</b> , Minister of Mines (Renfrew North L)                     | LeBourdais, Linda (Etobicoke West L)   |
| Cooke, David R. (Kitchener L)   | Leone, Laureano (Downsview L)  |
| Cooke, David S. (Windsor-Riverside NDP)   | Lipsett, Ron (Grey L)  |
| Cordiano, Joseph (Lawrence L)   | Lupusella, Tony (Dovercourt L)   |
| Cousens, W. Donald (Markham PC)   | MacDonald, Keith (Prince Edward-Lennox L)  |
| Cureatz, Sam L. (Durham East PC)  | Mackenzie, Bob (Hamilton East NDP)   |
| <b>Curling, Hon. Alvin</b> , Minister of Skills Development (Scarborough North L)     | Mahoney, Steven W. (Mississauga West L)  |
| Daigeler, Hans (Nepean L)   | <b>Mancini, Hon. Remo</b> , Minister without Portfolio (Essex South L)                     |
| Dietsch, Michael M. (St. Catharines-Brock L)  | Marland, Margaret (Mississauga South PC)   |
| <b>Eakins, Hon. John F.</b> , Minister of Municipal Affairs (Victoria-Haliburton L)   | Martel, Shelley (Sudbury East NDP)   |
| <b>Edighoffer, Hon. Hugh A.</b> , Speaker (Perth L)                                   | Matrundola, Gino (Willowdale L)  |
| Elliot, R. Walter (Halton North L)  | McCague, George R. (Simcoe West PC)  |
| <b>Elston, Hon. Murray J.</b> , Chairman of the Management Board of Cabinet (Bruce L) | McClelland, Carman (Brampton North L)  |
| Epp, Herbert A. (Waterloo North L)  | McGuigan, James F. (Essex-Kent L)  |
| Eves, Ernie L. (Parry Sound PC)   | McGuinty, Dalton J. (Ottawa South L)   |
| Farnan, Michael (Cambridge NDP)   | McLean, Allan K. (Simcoe East PC)  |
| Faubert, Frank (Scarborough-Ellesmere L)  | <b>McLeod, Hon. Lyn</b> , Minister of Colleges and Universities (Fort William L)           |
| Fawcett, Joan M. (Northumberland L)   | Miclash, Frank (Kenora L)  |
| Ferraro, Rick E. (Guelph L)   | Miller, Gordon I. (Norfolk L)  |
| Fleet, David (High Park-Swansea L)  | Morin, Gilles E. (Carleton East L)   |
| <b>Fontaine, Hon. René</b> , Minister of Northern Development (Cochrane North L)      | Morin-Strom, Karl E. (Sault Ste. Marie NDP)  |



**Munro, Hon. Lily O.**, Minister of Culture and Communications (Hamilton Centre L)  
 Neumann, David E. (Brantford L)  
 Nicholas, Cindy (Scarborough Centre L)  
 Nixon, J. Bradford (York Mills L)  
**Nixon, Hon. Robert F.**, Deputy Premier, Treasurer of Ontario and Minister of Economics and Minister of Financial Institutions (Brant-Haldimand L)  
 Offer, Steven (Mississauga North L)  
**O'Neil, Hon. Hugh P.**, Minister of Tourism and Recreation (Quinte L)  
 O'Neill, Yvonne (Ottawa-Rideau L)  
 Owen, Bruce (Simcoe Centre L)  
**Patten, Hon. Richard**, Minister of Government Services (Ottawa Centre L)  
 Pelissero, Harry E. (Lincoln L)  
**Peterson, Hon. David R.**, Premier and President of the Council and Minister of Intergovernmental Affairs (London Centre L)  
 Philip, Ed (Etobicoke-Rexdale NDP)  
**Phillips, Hon. Gerry**, Minister of Citizenship (Scarborough-Agincourt L)  
 Poirier, Jean, Deputy Speaker and Chairman of the Committees of the Whole House (Prescott and Russell L)  
 Pollock, Jim (Hastings-Peterborough PC)  
 Polsinelli, Claudio (Yorkview L)  
 Poole, Dianne (Eglinton L)  
 Pope, Alan W. (Cochrane South PC)  
 Pouliot, Gilles (Lake Nipigon NDP)  
 Rae, Bob (York South NDP)  
**Ramsay, Hon. David**, Minister of Correctional Services (Timiskaming L)  
 Ray, Michael C. (Windsor-Walkerville L)  
 Reville, David (Riverdale NDP)  
 Reycraft, Douglas R. (Middlesex L)  
**Riddell, Hon. Jack**, Minister of Agriculture and Food (Huron L)  
 Roberts, Marietta L. D., Deputy Chairman of the Committees of the Whole House (Elgin L)

Runciman, Robert W. (Leeds-Grenville PC)  
 Ruprecht, Tony (Parkdale L)  
**Scott, Hon. Ian G.**, Attorney General (St. George-St. David L)  
 Smith, David W. (Lambton L)  
**Smith, Hon. E. Joan**, Solicitor General (London South L)  
 Sola, John (Mississauga East L)  
**Sorbara, Hon. Gregory S.**, Minister of Labour (York Centre L)  
 South, Larry (Frontenac-Addington L)  
 Sterling, Norman W. (Carleton PC)  
 Stoner, Norah (Durham West L)  
 Sullivan, Barbara (Halton Centre L)  
 Swart, Mel (Welland-Thorold NDP)  
**Sweeney, Hon. John**, Minister of Community and Social Services (Kitchener-Wilmot L)  
 Tatham, Charlie (Oxford L)  
 Van Horne, Ronald G. (London North L)  
 Velshi, Murad (Don Mills L)  
 Villeneuve, Noble (Stormont, Dundas and Glengarry PC)  
**Ward, Hon. Christopher C.**, Minister of Education (Wentworth North L)  
 Wildman, Bud (Algoma NDP)  
**Wilson, Hon. Mavis**, Minister without Portfolio (Dufferin-Peel L)  
 Wiseman, Douglas J. (Lanark-Renfrew PC)  
**Wong, Hon. Robert C.**, Minister of Energy (Fort York L)  
**Wrye, Hon. William**, Minister of Consumer and Commercial Relations (Windsor-Sandwich L)

\*The alphabetical list of members appears in each issue. Lists of the members of the executive council, parliamentary assistants and members of committees, brought up to date as necessary, are published in Hansard in the first and last issues of each session and on the first sitting day of each month.



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# Hansard

## Official Report of Debates

### Legislative Assembly of Ontario

**First Session, 34th Parliament**

Tuesday, December 22, 1987

Speaker: Honourable Hugh A. Edighoffer  
Clerk of the House: Claude L. DesRosiers



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# LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday, December 22, 1987

The House met at 1:30 p.m.

Prayers.

## MEMBERS' STATEMENTS

### RENTAL ACCOMMODATION

**Mr. Philip:** At the time the Rental Housing Protection Act was introduced in May 1986, it was supposed to preserve the rental stock in Ontario. The act expires in June 1988. What is fairly clear is that the legislation is ineffective. According to spokespersons for Metro Tenants Legal Services, 75 per cent of rental buildings constructed since 1978 have received municipal planning approval as condominiums.

Tenants such as those living at 2645 Kipling Avenue in the riding I represent have lived nine years in a building they thought was a rental building, only to discover they are being evicted to make room for the purchasers of their apartments. In my own riding, to the best of my knowledge, all private rental buildings constructed after 1978 have been designated as condominiums. Thus, tenants in 3,495 apartments face the strong possibility of being evicted at any time. This amounts to 47.9 per cent of the rental units in the riding of Etobicoke-Rexdale.

This is not only bad news for tenants; it is also not to the advantage of the consumer. There is no guarantee that buildings which have been built to condominium standards nine years ago are necessarily at those standards today. Condominium purchasers, many of them working people, are also faced with the awkward situation of having to evict other working-class families from their units.

I call on the government to look at this serious problem. Unless some legislative action is taken immediately, over 200,000 rental units will disappear in the near future.

### ALZHEIMER'S DISEASE

**Mr. Villeneuve:** As the festive season draws near, we all look forward to getting together with family, neighbours and friends to celebrate together and enjoy one another's company. We must not forget throughout this happy time of the season a group of individuals suffering from Alzheimer's disease.

This disease, surely but slowly, turns normal people whom we love into individuals who are very confused and difficult to understand and cope with at times. Certainly they are a group of people who will likely be more or less forgotten over this festive season. This disease is striking more and more of our Ontario citizens. Let us not forget it is not limited to afflicting only our senior citizens. Many middle-aged and even younger Ontarians are affected.

I want to make this Legislature aware that January has been designated Alzheimer's Awareness Month. We must all be concerned about this alarming disease and work vigilantly towards finding a cure. The Cornwall and District Alzheimer's Society will be holding an open house on January 6, 1988, to make all citizens aware of this dreaded disease and to provide comfort not only to those who have been afflicted but also to those who live with and assist those affected with Alzheimer's.

I wish to say congratulations and best wishes to the Cornwall and District Alzheimer's Society and to assure those involved in that organization that they have my wholehearted support, along with that of my party, in the excellent work that they have been doing both in Cornwall and the entire tri-county area of Stormont, Dundas and Glengarry.

### FEDERAL GOVERNMENT'S BROCHURE

**Mr. Pelissero:** I pose a question. What do the defunct television shows *Green Acres* and *The Beverly Hillbillies* have in common with Brian Mulroney's brochure on free trade and agriculture? They all perpetuate the primitive myth of a farmer as a bumbling hayseed using outdated equipment.

Let me describe the brochure. It features an illustration of Mr. Mulroney's impression of a typical Canadian farm: two happy farmers, two happy cows, a bushelf of potatoes and a pile of golden hay. The female farmer is riding a 1940s-vintage tractor. The male farmer, clad in a baseball cap and denim overalls, has a slightly glazed look on his face while he chews on a stalk of wheat with both hands hitched in his suspenders. My concern is that today's farmers



face enough obstacles without the Prime Minister perpetuating such a backward stereotype.

This is not the reality of modern Canadian agriculture. Farming is a capital-intensive, technologically driven industry. Intelligent and articulate men and women are the first link in an agrifood chain which is responsible for one in seven jobs in Ontario. I can only assume that this caricature of the Canadian farmer represents the Mulroney government's level of understanding of modern agriculture. I call on the Prime Minister to recall this brochure and have it reprinted in a manner less offensive to the profession of farming.

#### OCCUPATIONAL HEALTH AND SAFETY

**Miss Martel:** I want to bring to the attention of the Ministry of Labour a very disturbing incident involving health and safety concerns in the inspection process. I hope this is not how health and safety inspectors are operating in Ontario.

Briefly, in April 1987, two miners on the 1,400-foot level of Inco's Frood mine refused to work in an ore pass as they believed conditions were unsafe. While inspecting the drift, they pulled loose off the walls and wood off the beams holding the back in place. Timber had already fallen in the area. The earlier graveyard shift had also refused to work in the same drift.

All this was shown to the general foreman, who stated the drift was being reconditioned. However, this was occurring back to back with men working the area in the day. The miners stated they would enter only when reconditioning was complete. One week later, a support beam and timber fell from the drift entrance. The union requested ministry investigation. The inspector questioned only four of the 10 miners involved in refusing to work. He inspected the site without a worker representative although two union stewards were working that day. In his report, the mining inspector stated:

"Certain inconsistencies in statements taken, coupled with an evident lack of knowledge by both employees and the company over correct work refusal procedures tends to leave this inspector no alternative but to say a decision in this matter cannot be easily reached at this time or possibly ever."

Is this the kind of response we can expect from Ministry of Labour inspectors investigating legitimate concerns of unsafe working places and resulting work refusals?

#### MINISTRY OF SKILLS DEVELOPMENT

**Mr. Jackson:** Two weeks ago we sat through committee hearings into the spending estimates

of the Ministry of Skills Development. With Christmas approaching, I have drawn up a list of appropriate gifts for various people and programs within that ministry.

I would give the member for York Centre (Mr. Sorbara), the former minister, a lump of coal, which is all he really deserves. Last year he told us to sit back and relax as problems in his ministry worked themselves out. This year the only thing that has worked out was the budget for Skills Development. The budget was cut back.

I would give the \$1.7-million Transitions program a few more participants. Right now, only 25 people are being served. I would give our older workers' help centres a new funding formula because 25 per cent of those centres have been forced to close in the last two years.

I would provide programs implemented through northern colleges and universities a proper assistance mechanism, and to the ministry bureaucrats I would give savings accounts to handle their 60 per cent in-year increase in administrative costs.

And since this government claims that free trade will cost jobs, I would give the minister programs because he does not have a single program right now, let alone a strategy, to deal with the job displacement he says he foresees.

The Skills Development Christmas wish list is almost as big as the list of broken Liberal campaign promises. Perhaps after the holidays the minister could make a New Year's resolution to develop his own administrative and management skills before trying to develop the skills of the workers of Ontario.

1340

#### CHIEF WEBB ENGSTROM

**Mr. Miclash:** It gives me great pleasure to rise in the House today to pay tribute to a man who is a constituent in my riding and a great citizen of the town of Kenora.

On December 31 of this year, Chief Webb Engstrom of the town of Kenora police force will officially retire from his position after 35 years of service on the force. Before beginning his duties with the police in Kenora, he was a member of the Ontario Provincial Police for three years.

We in Kenora are very proud of Webb Engstrom. He is a lifelong resident of the community, his parents having arrived in Kenora in the early 1900s to settle. Webb grew up in a police family, his father being a member of the Kenora police force. When Webb was old enough to enter the workforce, he followed in his father's footsteps. Since then, he has made a



name for himself as a dedicated and ever-helpful police officer.

In his role as chief of police, Chief Engstrom has been a member of the Ontario Association of Chiefs of Police, the Canadian Association of Chiefs of Police, and the International Association of Chiefs of Police. In the community of Kenora, he has been a member of the Lions Club and belongs to the Lutheran church.

Mr. Engstrom is married and he and his wife, Laura, have two children—Randy, a teacher in Winnipeg, and David, a fireman in Kenora—along with three grandchildren.

On behalf of myself and the people of the riding of Kenora, I want to express my best wishes to Chief Engstrom on his retirement and hope he enjoys many years playing golf, curling and fishing in the Lake of the Woods area.

Mr. Engstrom is certainly an asset to Kenora and is very much recognized for his distinguished career.

### BEEF FARMERS

**Mr. Hampton:** Yesterday in this House the Minister of Agriculture and Food (Mr. Riddell) acknowledged that several beef farmers in the province had incurred serious financial losses as a result of food additive problems at Agriculture and Food bull testing stations in the 1986-87 year.

He also indicated that a committee he appointed to study the problem, the bull test study committee, had completed its report. He confirmed that food additive problems were related to the serious financial losses incurred by beef farmers, but he indicated he would not release the committee's report enabling beef farmers to know where they stand. He cited as his reason potential litigation problems.

**Mr. Speaker:** The member's time has now expired. Perhaps he might want to continue at some further time.

**Mr. Harris:** On a point of order, Mr. Speaker, I guess until you hear what I have to say: I have just been passed a note concerning the Izvestia hockey tournament and I wonder if I could have unanimous consent. All three parties might want to comment for a couple of minutes.

**Mr. Speaker:** Is there agreement?

Agreed to.

### IZVESTIA HOCKEY TOURNAMENT

**Mr. Harris:** I think it is appropriate that we comment briefly and congratulate the Canadian hockey team which just a short time ago defeated Finland in the final game and won the gold medal

at the Izvestia hockey tournament, right in Moscow and right in Russia, for the very first time in the history of this tournament.

I think it is also significant, and I hope you will permit me to comment briefly as well, Mr. Speaker, that this is one of those examples that tells us what we think about ourselves and what other nations think about Canada as a nation. In many areas we are clearly the best in the world and in this example we have proven ourselves to be best in the world.

I do not know how many of the members read the précis of Allan Gottlieb's speech in Reader's Digest that just came out. He is the ambassador for Canada to the United States. Also, he was appointed by the former Liberal administration in Ottawa. He commented on the free trade debate about how we feel about ourselves. Those who appear to be opposed to this deal feel Canada is an insignificant power. Those who appear to be in favour of the deal, both inside and outside of Canada, view—

Interjections.

**Mr. Cordiano:** Give him a misconduct.

**Mr. Speaker:** Order. Perhaps the member would contain his remarks in regard to stickhandling.

**Mr. Breagh:** You were talking about hockey and now you're dribbling.

**Mr. Harris:** Many on this side of the House may not think how we feel about ourselves as a country is important, but I think it is fitting that we are able to talk about that today, at a time when once again we have proven ourselves to be a major and significant power in this world and the best in the world. That is how other nations view us in a number of other areas as well.

**Mr. Reyecraft:** On behalf of my party and my caucus colleagues, I too want to congratulate the Canadian team on its great triumph in the Soviet Union at the Izvestia tournament. There are many of us who have been following their exploits very carefully over the last several days, perhaps none more than my colleague the member for Prince Edward-Lennox (Mr. MacDonald) who, I understand, was once a member of a world championship hockey team, the Belleville McFarlands.

There seems to be nothing like an international hockey tournament to stimulate nationalistic emotions within the people of this country. I am very pleased to see that we once again stand at the top in international hockey.

**Mr. Hampton:** On behalf of my party, I would like to add to and echo those comments.



The Canadian national team deserves congratulations for what it has achieved, but I also think that some of the individuals involved should receive particular congratulations. Many of the young people who play on the team have sacrificed fairly lucrative professional careers in order that they could represent Canada. Some of them have come under a lot of pressure, in fact, to turn professional and turn away from the national team.

As well, the coaches deserve an incredible amount of respect, congratulations and support. My former coach, Tom Watt, is one of the enduring supporters of a national hockey team. He is someone who believes in a more scientific approach to hockey, an approach that we have now succeeded at in some measure in the international sphere.

It is fair to say that in many ways our national hockey team represents the very best of our hockey. It is certainly clean hockey. It is hockey that people like to watch. In many ways, it is devoid of the hooliganism that we sometimes see in some of the professional leagues. I think we should acknowledge all of these contributions by our national team, the individuals who play for that team and the individuals who coach that team. They are certainly worthy of our congratulations and our respect.

## STATEMENTS BY THE MINISTRY

### TRAUMA CARE

**Hon. Mrs. Caplan:** Victims of major trauma resulting from motor vehicle and industrial accidents, sports injuries, falls and violent crime almost always need rapid, comprehensive care in order to survive. That is why I am pleased to announce today a significant expansion in the trauma care network in Metropolitan Toronto.

St. Michael's Hospital in Toronto will have its adult trauma care capacity more than doubled as the next step in the development of Metropolitan Toronto's trauma care system. St. Michael's now treats about 150 cases per year. It will begin to move into the 300- to 350-case-load level annually. My officials will be discussing the need for additional funding at St. Michael's as its case load increases over the next two to three years.

Metropolitan Toronto's trauma system consists of quick, decisive treatment by an integrated network of trauma care professionals at St. Michael's Hospital, the Hospital for Sick Children, Sunnybrook Medical Centre, Wellesley Hospital and Toronto General Hospital. I want to

commend these hospitals for working closely together in the development of this system.

**1350**

I would also like to thank the Metropolitan Toronto District Health Council for its instrumental role in planning and developing Metro Toronto's trauma system. The expansion we are announcing today will result in more rapid, expert trauma care for residents of south-central Ontario.

### COMMISSIONER ARCHIE FERGUSON

**Hon. Mrs. Smith:** Today I stand to make an announcement that will stir both nostalgia and pride in the citizens of Ontario. I wish to inform the members of the Legislature that Ontario Provincial Police Commissioner Archie Ferguson, who is with us here today, has informed me that he has decided to retire from the force effective January 22, 1988.

First to the nostalgia: This date has been selected by the commissioner because it is the 37th anniversary of his commencement of service in the OPP. It so happens that I share his nostalgia for this particular date because it also is my 39th year of involvement in a marriage which has also involved devotion and rewards appropriate to the occasion.

**Hon. R. F. Nixon:** Any other adjectives that leap to mind?

**Hon. Mrs. Smith:** I will let the member do those.

Since joining the force in Kenora in 1951, his skills and dedication have resulted in a steady rise through the ranks, culminating with his appointment as commissioner in 1983. Although it would be impossible to mention all the noteworthy cases he has been involved in over the years, I know the commissioner is particularly proud of his role in successfully resolving the Mary Nelles kidnapping in 1969 while serving as a member of the criminal investigations branch.

The commissioner also deserves special praise and recognition for his ability to instil a sense of togetherness, pride and public duty in the force through programs such as Strict is Fair and Constable Awareness. He is a well-known figure to all, tall in more than stature, dignified in more than demeanour.

Now to the pride: When I assumed my new post, I was welcomed and supported by the commissioner. On almost my first day in office, I accompanied him to the annual commissioned officers' mess dinner. That evening I became aware of the respect that members of the force had for him as commissioner, the support for his



leadership and his similar feelings of respect for those serving with him.

On subsequent occasions, including the recent convention of the International Association of Chiefs of Police, I was repeatedly reminded that our police forces in Ontario are admired around the world. We owe them much and we owe our commissioner deep gratitude for what he has contributed to building the OPP up to its present position of esteem.

Commissioner, I am happy I became Solicitor General in time to have become your acquaintance, your friend and your admirer. I wish you and your wife, Jean, every success and happiness in your retirement and I thank both of you for your contributions to our province and its people.

#### ACCESS TO EMPLOYMENT PROGRAM

**Hon. Mr. Ward:** Members will recall that on December 7 I informed them that \$600,000 had been allocated to fund 12 pilot projects related to our student retention and transition project, an initiative addressing the dropout problem.

Today I am pleased to announce an additional step which we believe will increase the relevance of our programs for secondary school students, while at the same time providing them with firsthand experience in the world of work. My ministry has awarded \$1,180,000 to fund 20 pilot projects under the access to employment program for co-operative education. The funding ranges from \$50,000 to a maximum of \$75,000 per project, and in the case of partnership initiatives from \$20,000 to \$75,000.

These pilot projects will help encourage greater participation by special populations that have been underrepresented in co-operative education programs and also lead to the development of programs that focus on the needs of students at risk of dropping out or who have returned to school.

School boards receiving funding for pilot projects are: North York Board of Education; le Conseil de l'éducation de langue française du conseil scolaire de Niagara Sud; Metropolitan Separate School Board; Durham Board of Education; Lincoln County Board of Education; le Conseil des écoles séparées catholiques du district de Kapuskasing, two projects; le Conseil des écoles séparées catholiques du district de Timmins; Timmins Board of Education; Lakehead Board of Education; Kenora Board of Education; Carleton Board of Education, two projects; Stormont, Dundas and Glengarry County Board of Education; Windsor Board of Education; Bruce-Grey County Roman Catholic

Separate School Board; Grey County Board of Education, two projects; Sudbury Board of Education; and Sault Ste. Marie Board of Education.

These initiatives focus on ensuring the relevance of the learning experience at the work site and complement the programs either initiated or expanded under the co-operative education and transition-to-employment incentive fund which was introduced in January 1986.

#### RESPONSES

##### COMMISSIONER ARCHIE FERGUSON

**Mr. B. Rae:** I want to add our congratulations to Commissioner Ferguson on behalf of the official opposition. I do this with haste, not simply because Christmas is always a good time to have a good connection with the Ontario Provincial Police, but because I did want to say how strongly I feel personally that Commissioner Ferguson has provided leadership in the field of policing in the province.

We have many, many things still to do, but he has contributed greatly to the morale of the force and to a great sense of public confidence in the integrity of policing in this province, which is most important and for which Archie Ferguson deserves a great deal of personal congratulation.

I want to offer you my congratulations, Archie, and all the best in your retirement to you and Mrs. Ferguson.

##### ACCESS TO EMPLOYMENT PROGRAM

**Mr. R. F. Johnston:** I would like to respond to today's announcement by the Minister of Education (Mr. Ward).

If I can use a seasonal reference here, the minister seems to have a kind of Christmas-stocking-stuffer mentality to programming for education at this point. He feels that giving little trinkets to the education system and throwing them at a problem like the terrible drop-out situation that we have is somehow appropriate, especially when this is in the face of a major report being expected within a month from George Radwanski about what the overall problem is and what some major systemic and structural solutions might be.

I ask the House to think very seriously about how large this problem is. Seventy per cent of kids who are streamed into the basic stream in high schools drop out before they complete that program. Forty per cent of all students entering high school do not complete their education in high school. This is a major structural problem that we have run into. It is something that needs a



major look, not a dozen pilot projects on the one hand, and then when the minister gets flak from the press about the inadequacies of those, he throws 20 new pilot projects off on the other hand to try to solve it.

This is a problem that touches curriculum. This is a problem that touches the philosophy of education in a major and fundamental way. It is an issue that touches poverty issues. When there are kids going to school hungry and feeling like poor and inadequate second-class citizens in the high school system, is it any wonder they drop out? How many pilot projects does the minister think are going to change their sense of self-esteem?

I think this government is caught with that low, old Liberal notion that equality of opportunity rather than the quality of outcome is what is important. If on the face of it the minister can throw money at kids with trinkets of this sort—one teacher per school or whatever this will work out to in terms of the actual costs being put in—then he is fundamentally masking a serious structural problem that needs our complete emphasis.

I find it a little bewildering that the minister would bother coming forward with this kind of program. Why does he not deal instead with the Minister of Skills Development (Mr. Curling) and make the Futures program work?

Why does he not make the part-time studies and part-time work program work, instead of introducing a whole new hodgepodge of programs to certain selected pilot projects in this province and ignoring the fundamental problems out there in the system today?

I just say “humbug” to the minister. It is not worth a cent.

1400

#### COMMISSIONER ARCHIE FERGUSON

**Mr. Cureatz:** In conjunction with the Solicitor General (Mrs. Smith) and the leader of the official opposition, I too would like to congratulate Archie Ferguson on his retirement. The minister has very nicely, in three pages, brought forward areas of interest to delight us all about his past experiences, but I want to relate to the House that in my experience dealing with Archie was always very rewarding.

I can think of a previous life as parliamentary assistant to the Solicitor General's office and discussing various issues that took place around the great, big, long table at the Solicitor General's office. I can say to you, Mr. Speaker, to the Premier (Mr. Peterson) and to the House

leader that as I observed Archie as he gave advice to the Solicitor General, not once did I ever hear him indicate a particular personal bias, a particular political leaning as a result of an issue that was taking place in Ontario. I always admired him for that, in terms of his position.

The Premier will be doing well to find an individual to replace him.

#### ACCESS TO EMPLOYMENT PROGRAM

**Mr. Jackson:** I would like to greet the statement of the Minister of Education (Mr. Ward) in the House today with the same kind of concern that has been expressed already.

We are very concerned, from the point of view of the Progressive Conservative Party, given the fact that the Liberals in 1985 made a clear and unequivocal campaign promise that every grade 12 student in Ontario would have unfettered access to co-operative education programs in this province.

It was a promise the Premier made but has not kept. Now we have the new Minister of Education standing in the House and promising that he has what can at best be an ad hoc response and a Band-Aid program. This is now the second announcement in less than 10 days which basically skirts around the issues raised by the Ken Dryden report. All members of the House are aware that the Liberal government dropped him as Ontario's youth commissioner, in spite of the quality and substance of the recommendations contained in his report.

It makes every member of this House even more nervous, now that we hear the Minister of Education, about what really is contained in the George Radwanski report. Why is the minister coming forward with these Band-Aid programs to shore up something that is in this report which we are waiting for? We are not sure what it is, but now it is clear that there are going to be some dramatic recommendations and maybe even some interesting revelations about the government's approach to assisting the growing number of high school students who are dropping out and the growing number of students expressing interest in a more employment-driven curriculum for their future.

We are concerned that there are no clear guidelines with respect to these pilot projects. As a matter of fact, with the announcement he made last week, we now have learned that in one of the school boards the \$50,000 is going to go to one teacher to study the whole process of drop-outs.

That is what the government stood in the House and advised us was going to be the nature



of its commitment. So we ask the same question today. Is that the similar kind of pilot project that the minister has authorized and approved here? Are boards just going to study co-operative education needs in school boards, or are they going to hire staff and assign them to go out and make the connections in the private sector to set up the co-operative employment situations for students?

It is just one more example as well of the fact that this government continues to load up many of its election promises within its global transfer announcement for funds for education. Every time the government comes up with another one of these interesting and somewhat expensive programs, in a certain way it erodes the general level grants that are going to boards. We are very disturbed. All members of this House should be concerned about the continuation of that practice.

Finally, speaking of broken Liberal promises, the government did promise that it would fully fund adult and continuing education. It still has several days left of House time this week, and apparently we are going to be here next week. Hopefully, we are anticipating another announcement, this time to honour the government's commitment to provide full funding for adult and continuing education as promised during the election.

## ORAL QUESTIONS

### TRADE WITH UNITED STATES

**Mr. B. Rae:** A question to the Premier: Following on from the exchange that we had yesterday, I wonder if the Premier can confirm that it is possible under an interpretation of the words, "The province will not be bound to implement those aspects of the agreement which fall under provincial jurisdiction," that the province will, in fact, implement some aspects of the agreement under provincial jurisdiction, if that is what the province chooses to do. Would that be a correct interpretation of the kind of leeway the Premier is giving himself with those words?

**Hon. Mr. Peterson:** What the clause does is give a very clear assertion, shall we say, of provincial sovereignty in this matter. We will not be bound to do things that are in our jurisdiction. Again, I go back particularly to the wine question. At the moment it is very difficult to tell what implementation legislation would be requested, if any. There may not be any. On the other hand, there may be some in the future. That question has not been determined, but I think it

very clearly says that the province does not feel bound to implement it.

**Mr. B. Rae:** This is very important because the government has moved in the securities field and the financial field already to open up our markets well before there was any formal agreement with the United States. Just last week, the Minister of Transportation (Mr. Fulton) announced again the introduction of bills with respect to the deregulation of trucking, which clearly follow the Reaganite philosophy in the United States and clearly have to do with changes that have taken place in the United States.

Will the Premier not agree that it is entirely possible under this agreement—under the wording which he has used, "It is entirely possible"—that what will happen is that the government will turn around and say: "We never said we were not going to implement. We never said we were not going to do things which will be compatible with the free trade agreement. All we said was we wanted to make a theoretical statement about what we think provincial rights are"? Will the Premier not admit that it is possible that he will be doing things compatible with the agreement because that is what he decides to do one day?

**Hon. Mr. Peterson:** Anything is possible, some time along in the future in this province and long after the honourable member and I have gone on somewhere else. But I would like to point out a couple of things to my honourable friend.

He alluded to the financial reregulation or deregulation, if he likes to call it such. That was not a bilateral move with the United States, contrary to some people's opinion. That was a multinational view, a multilateral view, where we asserted, I think, Toronto's prominence as an international financial centre, in spite of the problems the federal government is causing us in that regard, because we are determined not to leave Toronto, not to leave Ontario in the backwater of international commercial transactions. It is not just a move with the United States.

With respect to the trucking bill, as my honourable friend will know, the piece of legislation that is on the books is some 30 or 40 years old—

**An hon. member:** Sixty.

**Hon. Mr. Peterson:** Sixty years old, even before the time of some of my Conservative friends. That bill has been discussed for 11 years in this House and nothing has happened. That is a move we think is going to very substantially assist our truckers here. We believe it is going to be a significant move for northern Ontario. It



does not automatically grant access for US truckers. They are here now. It is not giving them any more privileges really than they have at the present time.

We believe it is going to be in the interest of keeping Ontario competitive and, with or without a free trade agreement, we have a responsibility to make sure Ontario is world-class competitive.

**1410**

**Mr. B. Rae:** I think it is perfectly obvious that what this proposed resolution from the government does is to send out the most mixed of messages. They are not in fact saying to the federal government, "We're not going to comply and we're not going to implement." That is not what they are saying. If they wanted to say that, they could.

What they are saying is: "Maybe we will and maybe we won't. Whether we do or we don't, it is our business whether we do or we don't." That is all they are saying. They are not making any other kind of a statement, and that is what makes it unacceptable to us as a resolution.

Will the Premier not at least admit in this House that the resolution does not say that he will not implement but says that he will not be bound to implement, and that those are two different things?

**Hon. Mr. Peterson:** The Leader of the Opposition may want to word the thing differently than we have chosen to do, but I say to him that I think the message is extremely clear to—

**Mr. B. Rae:** No, it isn't.

**Hon. Mr. Peterson:** Well, it is to me. It may not be to my friends opposite, who may not want to view it with a clear pair of spectacles on in this regard, but I say to them I think it is a clear assertion of our right to make laws inside of our own jurisdiction. We are not going to be honour bound to implement things that are in our jurisdiction. It is that simple, and I think the message, at least to me and I think to my colleagues, is extremely clear.

#### FUTURES PROGRAM

**Mr. R. F. Johnston:** I have a question for the Minister of Skills Development on the question of the failure of the Futures program for native kids in Ontario. Members probably are not aware that the ministry delivers its services to native young people through two different ministries: for those on regular reserves and off reserves through its own ministry, and for those on isolated reserves through the Ministry of Citizenship.

I wonder if the minister can explain to me how he has the nerve to suggest that native young people are a priority of his ministry when, if you look at the Futures budget from last year, although the kids on isolated reserves were offered \$1 million worth of program that was supposedly going to be made available to them, only \$385,000 was spent, and this year, out of a budget of \$1.2 million, only \$75,000 has been spent with three quarters of the year gone.

I find it amazing, and I want the minister to explain to me how he can say he is providing any kind of service to those communities when only 121 kids on isolated reserves have been given any programs at all in the last year and a half.

**Hon. Mr. Curling:** The Futures program is committed to serve all young people, including natives, and we are still committed to that. I do not see any discrepancies at all in the fact that our program is open to the native people there. I have no complaint from those people to say that it is not serving that community.

On the point that the member raises, if there are specific problems there, I am prepared to sit down with the honourable member or the people concerned to iron out the problems that he so addressed.

**Mr. R. F. Johnston:** I find it incredible. There are 50 isolated reserves, and only 121 kids on those reserves have received any kind of program. The failure rate is even higher than it is in the southern experience of Futures. His own ministry people have stated that they want to tighten up the rules; they are concerned that the bands have been misusing the funds. I have documentation here from his ministry about their concerns about how it is being run.

Is it not true that the most serious problem is that there is not enough flexibility? There are only three staff people for the whole province to deal with these kids. Given the incredible distances, that makes it an impossibility for them to handle it.

There are huge literacy problems which his programs do not lend themselves to.

Instead of delivering the service through the Ministry of Citizenship, the minister should seriously consider delivering the service through native organizations like the friendship centres around northern Ontario. Would the minister please consider that notion?

**Hon. Mr. Curling:** The guidelines of Futures are laid down and there are certain problems that we have encountered on some of the reserves there. It is not a matter of tightening up the



guidelines; it is also to make sure the guidelines are being adhered to.

The suggestion the honourable member made that quite possibly we could get the native people more involved is something we can look into. It may be beneficial to that specific region.

**Mr. D. S. Cooke:** Is this the first you have heard of it?

**Mrs. Grier:** Did you not know?

**Mr. Jackson:** We raised this point in estimates two weeks ago.

**Mr. Speaker:** Order.

**Mr. Hampton:** My question deals with the experience the minister has just cited. There are nine Indian reserves in the constituency that I represent. Only four native youths have been able to obtain training from the Futures guaranteed options program in the last year, and each one of those reserves has a youth unemployment rate of over 50 per cent.

Yet at the same time that Futures is failing, the youth employment counselling centres have identified young Indian people who want training and who are eligible for it, and the board of education's alternative education program has teachers and programs available to conduct the training and experienced people who know their way around the native community who will be only too happy to assist.

What is happening with the minister's program when it cannot take advantage of those local resources to meet the needs of nine Indian communities that have unemployment rates of over 50 per cent among young people?

**Hon. Mr. Curling:** I am prepared to look at the program within those regions if it is not reaching the target or meeting the goals that it is intended to meet. As the member said, there are only five native people who have responded to this program.

**Mr. Hampton:** Four—five minus one.

**Hon. Mr. Curling:** Again, the program is intended to give those young people a second chance. If they are not being given that second chance, I am prepared, as the minister, to take a look at it to make sure the program meets its target group.

[Applause]

#### TRADE WITH UNITED STATES

**Mr. Brandt:** My question is to the Premier, who is also applauding. He is preparing for the next stage of his address to this House on free trade.

Yesterday, during the exchange we had in the House with respect to the free trade matter, the Minister of the Environment (Mr. Bradley) indicated that the reason the Premier of New Brunswick was in favour of this particular deal, the free trade deal, was that the federal government had given the contract to New Brunswick with respect to the six frigates.

A few days prior to that, the Minister of Industry, Trade and Technology (Mr. Kwinter) indicated that the seven premiers who were in favour of this deal really did not care about Canada or Ontario because, by reflection on his remarks, he indicated that the only people who cared about Ontario were those who supported the Premier's point of view, namely, the labour organizations, the Ontario Teachers' Federation and a few groups that have indicated their support for his position.

I would like to know whether the Premier in fact associates himself with the remarks of his two ministers as they relate to this very important and critical matter.

**Hon. Mr. Peterson:** Frankly, I did not hear the remarks the member is suggesting my honourable colleague made, and I am not in a position to verify that. My honourable colleague the Minister of Industry, Trade and Technology tells me the member's interpretation of his remarks is incorrect as well.

Let me deal seriously with the question for a moment. I recognize, and my friend does, that this is one of the most difficult and complicated debates to engage this nation in some considerable period of time. That is why I believe it deserves a thorough airing in this House. I am very happy and enjoyed very much the contributions I heard yesterday from a couple of our colleagues, the member for Hamilton East (Mr. Mackenzie) and the member for Markham (Mr. Cousens). I think it is important that the debate continues and all people have an opportunity to express themselves.

I do not think for a moment it is fair to assume that all of Ontario agrees with me—or the member, for that matter; I would not be so presumptuous as that—any more than all Albertans agree with Premier Getty or all Quebeckers agree with Premier Bourassa. Even though, as my friend says, it is probably six and three quarters to three at the moment in terms of premiers, I think Canadians are divided on the issue in all regions.

1420

I do not consider this a regional debate, and I hope we can get away from that kind of cast that



has been put on the debate by some. I think it is destructive to the fabric. I think my honourable friend shares that point of view because he knows, and we all know in this House, the potential for a debate of this nature to tear at the fabric of our nation. All of us in this House are committed to using whatever influence Ontario has to build a strong nation, and not to weaken the nation.

It is a debate where there are different points of view, as I said before, ultimately to be decided by the federal voters in this country. It is not a regional debate. As I say to my honourable friend—

**Mr. Speaker:** Order; supplementary.

**Mr. Brandt:** I want to say to the Premier that I appreciate the fact he is interested in taking the high road on this particular topic and subject because I do believe it requires that kind of debate and that we should avoid, if at all possible, attempting to place this in a regional perspective which could by reflection be destructive to the building of nationhood we are all interested in, but I have a very serious question for the Premier in relation to the way in which this debate is going.

If by some chance the Premier were successful in stopping the free trade agreement with the United States, which I think is highly unlikely, what alternatives does he have for Ontario, for Alberta, for the east-coast provinces and for the rest of Canada in relation to the very real problem many of us have recognized relative to protectionist measures that may be developed, and have been developed in the past in the United States, or relative to any kind of restrictive trade practices that could be raised to inhibit the amount of economic activity, which is absolutely critical to Ontario, recognizing that some 90 per cent of our sales go to that country. What is his alternative?

**Hon. Mr. Peterson:** My honourable friend raises an important question, and it is not going to be easy to answer it in a brief time, but I will try to give my friend as full an answer as I possibly can.

The first point I would like to make to my honourable friend is that I do not believe this trade agreement gets the kind of access or gets around the protectionism in the United States that he talks about so glowingly. There is a fundamental difference of opinion on that. We have not changed any US trade remedy laws. Countervail, antidump, 201s and 301s are still there and still can be invoked against us. All we have done is to buy into a binational panel interpreting those laws against us. There is no guarantee, as my

honourable friend knows—he has expressed his reservations on this point—about any protection from the omnibus trade bill as well as future protectionist moves should they come along in the United States.

On the second part of the question, I do not believe we have accomplished his goal in that regard. Even though we were promised—I say to him that I was told point-blank by Simon Reisman across the table, “Never again will Canada ever have an antidump or countervail suit.” We were told that. That was the operating premise going in. He did not get what he wanted. He did not get what the Prime Minister said was so important. He said, “US trade remedy law cannot apply to us, period.” That is a quote. Yet they did not achieve it. Obviously, if we had achieved that, it would have been a big win for Canada and would have been worth pursuing, but we did not achieve that and I think we have to say we failed in our own mission. The federal government failed to achieve what it said was its bottom line.

Back to the other part of my friend’s question, because it is important. He says to me, “What are the alternatives?” I say this to the member: I believe we have to consider Ontario’s position in the global economy, not just in the continental economy. I believe we should be pursuing our responsibilities under the General Agreement on Tariffs and Trade. I do not believe we should just be increasingly tying our economy to the United States. Yes, I recognize the importance of the country as our trading partner. It is our largest trading partner and will continue to be for a long period of time. But I think in the long term—I am talking about over the next 10, 20, 30 and 40 years—we have to have a much larger focus than that.

The United States has enormous problems economically—

**Mr. Speaker:** Order; final supplementary.

**Mr. Brandt:** I have to say to the Premier that no one in this House, to the best of my knowledge, takes any exception or has any opposition to the concept of a multilateral trade discussion with other countries. That, as he well knows, can go on at the selfsame time as a free trade agreement with the United States.

I would say as well, if I might, that there is a large body of evidence and opinion out there, which obviously is not shared by the Premier, which indicates we do have enhanced access to the American market; that we have a dispute settlement mechanism which is considerably better than what we have in place now; and



although there are never any absolute, total, unquestioned guarantees with respect to doing trade with another country, there are many trade experts who have indicated that this is the best mechanism of any trade agreement anywhere in the world. Yet it does not meet his criteria.

**Mr. Speaker:** Question?

**Mr. Brandt:** Recognizing—  
Interjections.

**Mr. Speaker:** Question?

**Mr. Brandt:** I felt compelled to put those comments on the record.

**Mr. Speaker:** Question?

**Mr. Brandt:** My question—if I can get it on the floor; I am being interrupted by the member for Brampton South (Mr. Callahan)—the question I have for the Premier very simply is this: Recognizing that there are these differences of opinion on the dispute settlement mechanism, on access to the American market, on these retaliatory possibilities on the part of both countries, will the Premier take what is the logical next step and refer this matter to the standing committee on finance and economic affairs for full and thorough debate and hearings, as this House agreed to originally?

**Hon. Mr. Peterson:** If I may, let me just answer the preamble of his question. It is not a question of not meeting my criteria. It has not met the federal government's own criteria; either that or it has changed its criteria or lowered its standards.

The most charitable interpretation of the dispute settlement mechanism is that it is a tiny, perhaps marginal, incremental gain. What have we given up as a country to get that? We have given up control of our energy policy. We have given up a lot of our domestic levers.

I say to my friend that people like him would want to take note of Mr. Parizeau's comments yesterday, who said that establishing the north-south trading pattern as opposed to the east-west, which we have been committed to as a country and have to continue to be committed to, will make it easier to fulfil his political ambition. He understands what will develop over a period of time.

This is a debate that is complicated, that needs everybody's attention paid to it. What we have tried to do from our perspective is to engage everyone in this debate, not just legislators but the public as well. That is why we had the committee of ministers working with the preliminary agreement, and that will be shared shortly. That is why we are having a debate in this House,

to express the will of the majority of the members in this House to the federal government, the American government, before the deal is signed.

I also believe the standing committee on finance and economic affairs has already engaged this subject, has started discussions and should. I would hope that all citizens of this province become involved. This is not going to end on January 2. It is not going to end when this debate is over. This is going to be ongoing for some long period of time. I think it is a responsibility of all legislators, of all Canadians, to engage themselves in this debate, as significant a debate as we have had in the history of this country.

#### RETAIL STORE HOURS

**Mr. Brandt:** I have a question to the Premier with respect to another topic. The Attorney General (Mr. Scott) indicated that large stores can break the law and remain open on December 27. The Solicitor General (Mrs. Smith), who is given the responsibility of enforcing the law, is unable to enforce the law at this point because the Attorney General says he will not prosecute anyone who remains open on December 27.

Now we have a situation where the Solicitor General has passed on to the municipalities the responsibility for Sunday openings, even though she had indicated at an earlier time that passing this on to municipalities would be nothing more than providing wide-open Sundays throughout Ontario.

**1430**

My question to the Premier is, has the decision to allow stores to remain open on December 27 not left the Solicitor General, relative to the remarks made by the Attorney General, in an extremely awkward position to carry out her particular duties?

**Hon. Mr. Peterson:** The answer to the member's question is no.

**Mr. Brandt:** Last year we had the Solicitor General as well as the Attorney General saying they would enforce the law as it was at that time. This year we have the Attorney General saying he is not going to enforce the law. In May we had the Premier indicating that he wanted to clarify the whole situation long in advance of the Christmas season, and we all know what happened there.

Then we had the Solicitor General saying some weeks ago that the chicken way out would be to give this to the municipalities. Then, about a week ago, the Solicitor General took the



chicken way out and gave the whole matter to the municipalities.

How much confusion does the Premier think this province can stand relative to this question?

**Hon. Mr. Peterson:** It is a good point the member raises. Obviously, he is confused. I am not confused. Other people are not confused. We do not mind explaining again to the honourable member if he would like us so to do. I think it is quite clear.

**Mr. Brandt:** I think quite the contrary. I would really appreciate the Premier of this province not taking this question so lightly, because I think he should be aware that not only is there a large, large percentage of Ontario citizens who do not want wide-open Sunday shopping but there is also a large number of workers who do not want wide-open Sunday shopping.

The government has also placed the municipalities virtually unanimously in opposition to what it has done by passing on the responsibilities for deciding on Sunday openings to the local levels of government. None of them wants it. Why did the government take the chicken way out?

**Hon. Mr. Peterson:** I say, with great respect, I think my honourable friend uses words rather promiscuously.

Interjections.

**Hon. Mr. Peterson:** The mayor of North York thinks this is a terrific idea. He is not part of the member's unanimous consensus, nor is the mayor of Ottawa or the mayor of Hamilton. There are a lot of progressive and thoughtful mayors in this province.

**Mr. Brandt:** How about the mayor of London, the Premier's home town?

**Hon. Mr. Peterson:** A bright man. I am very fond of the mayor of London. He is one of the finer mayors. I would like to do everything I can now, if anybody is watching from London, to say what a fine mayor we have and I am very proud to have such a decent and progressive mayor. I did not say he is perfect, I said he is an excellent mayor.

I say to the member, as with any other policy the government has, there are people who agree and people who disagree, but I do not think it is that big a deal, frankly, to go from regulating store hours six days a week to regulating them seven when they now have the power, as the member knows, to control the tourist exemption. It really is not that big a leap of faith, as my honourable friend says.

I also do not find it confusing. I find it rather elementary what the Solicitor General has done, what the Attorney General has done and what we have done. We have taken a bold step forward for democracy putting it in the hands of the municipal politicians, those politicians closest to the people of this great province.

McDONNELL DOUGLAS CANADA LTD.

**Mr. Mackenzie:** I have a question for the Premier. The Premier is aware that better than 2,000 workers at McDonnell Douglas were recently forced to stop work to get action on very serious health problems in the plant, including over 212 safety orders by the ministry.

Is the Premier aware that these same workers and their union were informed just yesterday that 238 of the workers who were involved in those work stoppages or are currently still involved in some of the safety work stoppages have been told that they are laid off indefinitely as of tomorrow? Can the Premier tell us what he is prepared to do about this blatant discrimination against workers who were simply carrying out their rights under Ontario legislation?

**Hon. Mr. Peterson:** First, may I say to the honourable member I appreciate very much his giving me prior notice of this question. I appreciate his sharing that with me. I know how deeply the member feels about this question.

We are taking the allegations very, very seriously, as the honourable member knows. I understand what the union is saying in this regard. He will be aware that management is putting it to a different explanation at the present time.

All I can tell the honourable member is that the ministry officials are there, I believe at this very moment—if not at this moment at least today—trying to get to the bottom of this situation. If, in fact, there are reprisals involved here, it will obviously be a serious situation, but I am certainly happy to monitor the situation and share whatever information we have with the honourable member as it develops.

**Mr. Mackenzie:** I appreciate that response. Inasmuch as the Ministry of Labour was directly involved in coming to the resolution of the safety and health problems in the plant, is the Premier prepared to see that the ministry issues an order now that these layoffs be held in abeyance until there has been an investigation of the charges?

**Hon. Mr. Peterson:** I am not sure that would be the appropriate response from me. It may well be, and I will certainly investigate the suggestion the member has made. I can assure him the



ministry and the government take it very seriously and will do everything we can if in fact there are misunderstandings or someone is abusing the law in this situation. As I said, I will keep the honourable member informed.

### INVESTIGATIONS

**Mr. Runciman:** I am afraid I do not yet have the Christmas spirit and I did not give prior notice, but my question is to the Solicitor General. The minister may recall that on numerous occasions this year my party requested the tabling of reports on several investigations: the Ontario Provincial Police investigation of LSI Applications, a firm partially owned by one of Herb Gray's brothers; the OPP investigation into the Vaughan land sales, again involving people with Liberal links; and the Ontario Securities Commission investigation into PEC Financial Corp., a firm owned by Wilf Caplan.

Eight months after we first raised these matters, can the minister indicate when we might expect the reports to be tabled?

**Hon. Mrs. Smith:** The member will be interested to know that these investigations have indeed continued, have involved a great deal of investigation and each, individually, is progressing. I will be reporting on them as soon as we have the information gathered together.

**Mr. Runciman:** That is the same nonanswer we received eight months ago. These investigations are never-ending, apparently—these investigations that involve members of her party. We are entitled to know which of these investigations have been completed, where they are now and why no action has been taken. Will the minister give that information today or is she going to continue to cover up?

**Hon. Mrs. Smith:** There are two inferences in the statement that I do not accept. One is "cover up" and the other is "members of her party." We are investigating certain deals which involve many people, and we will continue to look into them. They involve massive amounts of paper investigation, and we will continue to look into them and provide justice to the member and to the people being investigated.

### HOSPITAL FUNDING

**Mr. Mahoney:** My question is to the Minister of Health. The former Conservative government, when it dealt with the funding for the Credit Valley Hospital, refused to include a request to fund a computerized axial tomography scanner in that hospital. That is a little bit akin to building a

new home in modern society today and making the washroom facility an outhouse.

The minister has now inherited this difficulty, of course, of funding the operation of the CAT scanner, and I would like to ask if she is prepared to review the file and, in the light of the tremendous demand in the greater Peel-Halton area, consider moving up the funding of the CAT scanner for the Credit Valley Hospital as quickly as possible.

**Hon. Mrs. Caplan:** The Peel District Health Council requested CAT scanners at both Peel Memorial Hospital and Credit Valley Hospital. However, the recommendation from the Peel District Health Council was that the Peel Memorial Hospital CAT scanner be approved as a priority.

I will say to the member—and I have received his representations on behalf of Credit Valley—that the ministry is prepared to review the Credit Valley proposal as soon as the Peel Memorial scanner is fully operational.

**Mr. Mahoney:** Recognizing the need, of course, for fiscal restraint and the fact that we cannot solve all problems created in the past at once, will the minister at least instruct her staff that the need has been demonstrated at the Credit Valley Hospital and it does not require a further needs study to approve the CAT scanner for that hospital?

**Hon. Mrs. Caplan:** For the information of all members in the House, the ministry has approved the use of CAT scanners in 47 hospitals across the province. In each case, the annual operating subsidy is \$150,000. It is expected that the hospitals will be responsible for purchasing, installing and providing the balance of operating costs.

As I said before, we will be pleased to review the Credit Valley proposal once the Peel Memorial scanner is fully operational.

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### FOREST PRODUCTS INDUSTRIES

**Mr. Wildman:** I have a question for the Minister of Natural Resources. In view of his admission yesterday that the provincial government does not know how much timber is left in Ontario, can he explain recommendation 2 of the Woodbridge, Reed report that he should "be prepared to commit unused wood supply towards new industry growth"?

If the Ministry of Natural Resources does not know how much timber there is or where it is, how will the minister implement that recommendation? Where will the wood come from?



**Hon. Mr. Kerrio:** I am prepared to share with the members any of the information that has been developed.

I am rather disappointed that the member has not addressed this whole question of a new look at the forest industry in Ontario. This government, for the first time in 40 years, brought Dean Baskerville in to do the kind of in-depth study that would tell us where we should go in the future.

The study the member refers to was a commitment that was made. It is not another study on another study. It was commissioned because Dr. Baskerville asked us to commission this study. As soon as we got the study in our hands, we tabled it.

Even though there is some question about industry and MNR we are functioning in an entirely different manner than was ever the case before. Every time we receive a very important document we are prepared to share it with every member of the Legislature, and we take into account what they say about where we should go in the future.

The fact that I made a comment about particular species was the question the member is relating to. I said that in many cases we do not know if there is a new undertaking by a mill or another application that a particular species exists in a particular location. There are surplus woods. The forest industry is very strong. We intend to make it stronger. But there certainly are areas where they could be brought into question.

**Mr. Wildman:** If the minister were located up north, that kind of answer would help to fertilize regeneration. Will the minister commit that the timber he is talking about—he does not know where it is but there is lots of it, a surplus of it, and everything is strong—is not in the parks or wildlife preserves or wilderness areas where cutting is not now permitted?

If so, can he assure the House that the hearings on the class environmental assessment announced last week by the Minister of the Environment (Mr. Bradley), even though he said MNR's draft report was inadequate, will not be narrowly limited to timber management alone but will deal with tourism, fish and wildlife, parks and recreation and conservation, to ensure the timber he is talking about is not taken from other uses for which it should be preserved as it is now?

**Hon. Mr. Kerrio:** Finally the member is realizing some of the initiatives this ministry is taking; that is, going forward in an aggressive way of looking at a class environmental assess-

ment to protect all the users in this province. That is something we are putting forward on our own initiative. No one had to push us into that.

The fact is that we tabled these reports and we had a 16-point program to put into place, as recommended by Dr. Baskerville. We now have nine implemented, this being one of them. I want to say it is ahead of schedule and that boast could not be made by the former government. The ministry is taking care of a forest industry that is strong. That does not say we cannot make it stronger, and that is exactly what we are doing.

**Mr. Villeneuve:** I have a question for the Minister of Agriculture and Food (Mr. Riddell), but in his absence the member for Lincoln (Mr. Pelissero) is very knowledgeable, probably more knowledgeable than the minister. May I ask him the question?

**Mr. Speaker:** I am sure the honourable member is fully aware of the standing orders and he certainly can ask the Premier (Mr. Peterson) if he can ask the parliamentary assistant (Mr. Miller).

#### PALLIATIVE CARE

**Mr. Villeneuve:** In that case, I will go to the Minister of Health. I have another question.

Several weeks ago I asked the minister a question, which she answered, on palliative care at the Hotel Dieu Hospital in Cornwall. Today, can she tell us when she will announce a comprehensive palliative care policy for this province?

**Hon. Mrs. Caplan:** Let me thank the member for his question. The issue of palliative care, as he knows and as most members in this House know, has been before the government for quite some time. Since my arrival at the Ministry of Health some 11 weeks ago, I have had an opportunity to begin reviewing the proposals. The district health councils have made a representation to the ministry and to the minister and I am looking to their advice very closely.

I am very concerned about how we provide palliative care in this province and hope in the new year to have an announcement.

**Mr. Villeneuve:** I thank the minister and I am most appreciative that she does care, as many, many people across this province care.

Since the palliative care unit at the Hotel Dieu Hospital will be closed in March, can the minister give us an undertaking and can we provide some information that there will indeed be some financial support from this Legislature prior to the month of March 1988?



**Hon. Mrs. Caplan:** Yes. For the information of the member, and I am familiar with the hospital that he is referring to, it is important to note that there are two palliative care programs currently in that hospital. One is an inpatient program which is funded under the global budget of the hospital and the second is a community outreach program which is funded, not by the Ministry of Health, but by volunteer contributions and volunteer support within that community.

I support that approach and I hope the community will respond to allow that program to maintain operations. We presently have two pilot projects under way within the ministry and we are looking at a comprehensive palliative care policy. But the program the member refers to is not presently funded by the Ministry of Health.

#### LIABILITY INSURANCE

**Mr. Callahan:** My question is for the Minister of Municipal Affairs. Now that we have seen the results of the Supreme Court of Canada's decision with reference to the rather significant claim that was made against the city of Brampton and others due to injuries, my city has, as I am sure other cities have, large tracts of land on which activities are carried out, including those which at times may be somewhat hazardous.

Would the minister consider amending the Municipal Act to provide that, in the case of municipalities, their liability would extend only to acts of gross negligence, as opposed to acts of simple negligence—by way of definition, gross negligence requiring a much higher degree of negligence than simple negligence—in order to allow activities that are now being curtailed in my riding and others?

**Hon. Mr. Eakins:** The question of adequate municipal insurance is one that is very important to me and to the municipalities and one that I have been discussing from time to time in an ongoing dialogue with the Association of Municipalities of Ontario.

It is my understanding that the municipal insurers in Ontario do not distinguish between simple negligence and gross negligence. I would think to do so would certainly mean that more claims would be going to court, because most of the claims are settled out of court. It is a matter I am very much aware of and one on which we have an ongoing dialogue with the municipalities.

1450

#### ABORTION SERVICES

**Mr. Reville:** My question is for the Minister of Health. I want to come back to the question of

abortion services again, because in the 11 weeks that the minister has been in charge of the Ministry of Health, I regret to say that her position and the position of the government have remained unclear.

Is the statement made by the former Minister of Health in March 1987 that the objective was to ensure that services are accessible still the position of the government? If that does remain the government's position, in what ways is the government prepared to make sure that the access is real rather than rhetorical?

**Hon. Mrs. Caplan:** I am pleased to respond to the member opposite. I know he shares with me the concern and commitment that women in this province should have access to all women's health services on an as-needed basis, but I differ from him because I believe our commitment to women's health services is clear. We have stated it very clearly, and the government has announced several major initiatives in the provision of comprehensive women's health services. To date, in the Legislature, I have announced two women's health centres. We believe these will meet the needs of the women of Metropolitan Toronto.

**Mr. Reville:** I think the minister's answer is probably the best example out of her own mouth that I could give of the lack of clarity in the government's position. In answering questions and in her actions, the minister refers always to women's health services. While we in this party are delighted to see progress in the provision of women's health services, we would like some clarity from the minister on what she intends to do about the very serious problem identified by Dr. Marion Powell in terms of access to abortion services. In only one of her announcements has anything to do with access to abortion services been mentioned.

Since she has indicated to us that she will be making further announcements in the weeks to come, I would like her to indicate very clearly to the House that she does intend to ensure that there will be access for all women in the province who require abortion services.

**Hon. Mrs. Caplan:** Let me clarify for the member once more that it is my belief that therapeutic abortion services are but one part of women's health services. We are committed to meeting the needs of women's health services generally and therapeutic abortion services particularly.

We have stated time and again that we are committed to meeting those needs, particularly for therapeutic abortion services for the women



in this province in accordance with the federal legislation. Under that framework we believe the approach we have taken and the announcements we have made to date will meet the needs of women in Metropolitan Toronto and we are reviewing proposals from centres and hospitals across this province to meet the needs right across the province.

### HOSPITAL BEDS

**Mr. Cureatz:** I too have a question to the Minister of Health. This is a follow-up to some of my comments during my speech on throne speech debate, which she will recall.

I give her credit for being in attendance that afternoon in regard to my comments, and she will be wise to be in attendance along with her other colleagues when I make my address concerning the resolution on free trade next week. I know she will be in attendance for a day or two to listen to my concerns. But more particularly—

**Mr. Speaker:** And your question?

**Mr. Ferraro:** What day?

**Hon. Mr. Elston:** Tell us what day.

**Mr. Cureatz:** Monday, Tuesday and Wednesday.

I want to bring to the minister's attention the fact that on December 7 a resident of the town of Whitby was admitted to the Whitby general hospital following a series of seizures she had. When she was admitted, there were already five people in the emergency ward waiting for beds. The patient was forced to stay in the ward for 44 hours because there was no bed available for her.

Can the minister explain how, in a community of 48,000 people, she expects 65 acute care beds to be adequate which, as she well knows, is well below the ministry standards?

**Hon. Mrs. Caplan:** Let me say in response to the question of the member opposite that I have had representations from and discussions with my colleagues the member for Durham West (Mrs. Stoner) and the member for Durham Centre (Mr. Furlong) on this very subject. Further, I have met with representatives from Whitby general hospital to discuss this issue.

Let me say that in the Ministry of Health we plan for services on a regional basis across the province. We believe the people of Durham are well served by three hospitals in the Durham region: Whitby general hospital, Ajax and Pickering General Hospital and Oshawa General Hospital. We believe that each of these facilities has an important role to play in the region.

Let me tell the member that in my discussion with the representatives of Whitby general, we

discussed the role they play, which is a very important one. They acknowledged that we have provided some 65 chronic beds. One of the problems existing in that hospital right now is that there are patients inappropriately placed in its acute beds. They acknowledged that once the chronic beds are functional, it will relieve some of the pressure on the acute beds in that hospital.

**Mr. Cureatz:** It is interesting that the minister's comments now seem to relate to the fact that the Whitby hospital will not be securing those well-needed beds.

Can the minister explain why the people of Whitby are being told that the 65 beds are adequate in spite of the fact that the hospital has asked for the additional 43 beds? I can only bring to her attention that not only the residents of Whitby but also the whole council of Durham region, which of course affects an area much greater in size than the town of Whitby, has through resolution supported the board of Whitby general hospital in its efforts to obtain Ministry of Health approval in funding for the additional active treatment beds.

Does the minister feel the 65 beds presently allocated to the hospital are sufficient enough? Does she see no area of expansion for more beds at the hospital?

**Hon. Mrs. Caplan:** The member will know—let me say this is acknowledged by the representatives from Whitby general and from Durham region generally—that the pressure for additional services and beds is not a phenomenon of just the past two years and that we have made significant progress in the allocation of additional chronic and active treatment beds to the Durham region. I believe some 105 beds in total were allocated to the Ajax and Pickering hospital and the Oshawa General Hospital and additional chronic beds to the Whitby general hospital.

It is our belief that the provision of services on a regional basis is appropriate and that the needs of the people of Durham region, and Whitby in particular, will be met by the allocation of these new resources. I want to say to the member, in response to his question, that representation from the region is very understanding of our approach in the delivery of services on a regional basis. I would say that the members from Durham region understand that each hospital plays a very important role in the delivery of services to their communities. I note that the population increases for Durham region are taking place in Ajax, Pickering and Oshawa, but I have made a commitment to the people of Whitby to monitor their requests on an ongoing basis.



## CHILD ABUSE

**Mr. Sola:** I have a question for the Attorney General. In today's *Globe and Mail* is an article that disturbs me greatly. In a story by Kirk Makin, he states:

"Ontario child welfare workers have found 12 to 14 cases of violence against children in the past three years that are related to Satanism, but politicians still refuse to look into the issue, says the director of the Ontario Association of Children's Aid Societies.

"George Caldwell said that although only a couple of instances have become known to the public, all of the children's accounts of obscene activities and ritual human sacrifices seem too authentic to be faked."

What gets me upset is a statement that "police seem unable to lay charges and politicians are simply hoping the problem will go away." It seems to me if children are being abused and police cannot lay charges, it is a serious allegation to state that politicians refuse to acknowledge the problem. Is the minister aware of this issue and has he checked into it?

1500

**Hon. Mr. Scott:** I would like to thank the member for the question. I understand well, being of two years' seniority, the difficulty created every morning by reading the *Globe and Mail*. I know the member will come, as we have, to adjust to that.

The article, however, refers to the incidence of what is called Satanism in the province in relation to child abuse. I want to assure the member—and I think I speak undoubtedly for the Minister of Community and Social Services (Mr. Sweeney)—that any person who has evidence that a child has been abused should promptly bring that to the attention of the local children's aid society, the police or the crown attorney and we will prosecute regardless of the motivation that has produced that child abuse.

The press report that created difficulty was a very difficult case in Hamilton where the crown attorney felt, after full consideration, that the damage that would be done to the children involved by requiring them to testify was too serious. Consequently, he withdrew the charges. That is a matter over which we do not have any control, of course, because before a conviction can be obtained evidence must be presented.

I want to make perfectly clear to the member and the House that, as my friend the Minister of Transportation (Mr. Fulton) has pointed out, it is mandatory to bring evidence that one has to the attention of the authorities. If the children's aid

society director quoted in the newspaper has that evidence, he would do better to stop talking to the newspapers and bring it to the attention of law enforcement officers and prosecutions will ensue.

**Mr. Sola:** My supplementary follows along in the article, which states that "the author of the 1979 study on cults—Ontario Ombudsman Daniel Hill—said yesterday that the government should convene a new inquiry to look specifically at Satanism and extremist fundamentalist groups. 'My study didn't deal with any of that.'"

Is the minister willing to consider a study to update our information on cults?

**Hon. Mr. Scott:** I am not opposed to it, and we will give some consideration to it, but I think it is not particularly useful to conduct an elaborate study of what Satanism is and so on. What I think is very important to do, and what the minister and I are committed to do, is to take every piece of evidence that a child has been abused in Ontario and commence legal proceedings against the abuser, regardless of the motivation that person advances for the abuse. That is the way that this problem is going to be solved, not by doing some kind of esoteric study into the motivation of some religious cult.

## SINGLE PARENTS

**Mr. Allen:** I have a question to the Minister of Community and Social Services.

The minister no doubt is familiar with the recent Ontario Advisory Council on Women's Issues report dealing with the problem of sole-support mothers and the extreme difficulties that they have surviving. Recently confronted with the Offord report on welfare children, he was very disturbed at the findings in that report. When the minister got rid of the spouse-in-the-house rule, was it really his intention to sneak in through the side window with penalties for co-residents and did he intend that single parents would in fact end up with less money for food to put on the table for their children after he had exacted his \$40 minimum penalty?

**Hon. Mr. Sweeney:** The intent of the spouse-in-the-house rule was to recognize changing conditions in which single parents found themselves, and in fact to prevent them from being put into a situation where they could not claim financial benefits from our income support programs and at the same time could not claim financial assistance from the person who was living with them.

As a matter of fact, there were two major changes in the rule. The first one was that they



would continue to be eligible for benefits, but along with that was that the second person moving into the house would be responsible for his or her own costs. We think that is a reasonable route to go. It protects everybody, and that in fact is what we are doing.

**Mr. Allen:** I might refer to the report of the Social Assistance Review Committee on the spouse-in-the-house rule, which noted:

"It is extremely important to introduce these changes in a fashion that ensures that staff are fully aware of what they mean and why they have been introduced. We have been struck by how little is known about why the spouse-in-the-house rule was repealed. We also encountered much confusion about how individual cases should now be handled. This confusion extends to ministry and municipal staff as well as recipients."

I want to send across to the minister examples of two cases in which, when the deductions are made, in one instance the family has \$57 less to spend on food and in the other it has almost \$40 less to spend on food. Does the minister not realize that he is still penalizing companionship and mutual support, reducing available housing by creating disincentives to cohabitation and generally penalizing efforts of minimizing costs as well as treating those on welfare as though they were cheating rather than—

**Mr. Speaker:** Order. Minister?

**Hon. Mr. Sweeney:** I want to briefly touch on the honourable member's earlier remark that our staff was not prepared to deal with this. That just is not fact. Every staff person within the ministry went through a rigorous training program to familiarize him or her with the rationale behind the changes and with the procedures for implementing it.

At the same time, our staff carried out a training program with municipal employees to be sure they were familiar with it; the report I have had back from every single municipal director I have spoken to was to the effect that the training was excellent. They indicated clearly that there were some people, municipal employees, who did not completely agree with the change, but the training was done.

With respect to the actual implementation, first, effective November 1, there was no grandfathering, no backdating. Whatever the arrangements were prior to that were left in place, but the clear message sent out was that from November 1 onward, if two adults are sharing living accommodation, they are both expected to contribute. The \$40 is a minimum. It

is not a maximum; it is a minimum. If there are two adults sharing, they are expected to share at least the accommodation cost. I do not think that is unreasonable.

**Mr. Speaker:** The time for oral questions has expired.

**Mr. R. F. Johnston:** Mr. Speaker, on a point of order: I have been approached by 20 or 30 members of the Liberal back benches, in spite of the harassment they have had from the House leader today, to ask me if there is something in the standing orders—and I wanted to get your advice on this—that would allow for a mass ejection of members of the House so that they would not have to return for at least a week. I wonder if you can help us with that?

**Mr. Laughren:** No ruling?

**Mr. Speaker:** No. Is there any other so-called point of order?

### ORDER OF QUESTIONS

**Mr. Harris:** Mr. Speaker, I have a point of order; it concerns the television coverage of the House, not the actual intelligent and informed debate that one sees at 1:30 once proceedings start, but the preamble before we actually get into the proceedings.

I do not know if you have watched it, Mr. Speaker, but it is an explanation of how the House works. You are on it, so I am sure you are aware; it may be some time since you have watched it. The Clerk of the House is also on it. This is about seven or eight minutes before the House actually starts, when it comes to the point where the Clerk explains the purpose of question period as being that opportunity for the opposition parties to ask questions of the ministers of the crown. The implication is that we do not get to sit in their caucus room and we do not have access to the ministers the way the government members do. It does go on, though, and it is said by the Clerk, "At some point the Speaker may recognize one, possibly two, members of the government to ask a question."

That is what the public of Ontario is being told is the purpose of question period. I accept that. I think it has been the practice in the previous 44 years, but I tell you, Mr. Speaker, that is not what is occurring in the last number of weeks in this chamber. In fact, the government members, even though they do have that weekly access in caucus—I understand they are clammed up many times by dictate of the Premier (Mr. Peterson), but they do have it and I believe that is the intent.



I suggest it is something the House leaders may want to look at. It is something the Legislative Assembly may want to look at. In any event, something is obviously wrong with the message that is being given to the public of Ontario.

1510

**Hon. Mr. Conway:** If I could just speak briefly to that point, Mr. Speaker, I have not seen the film to which the member for Nipissing (Mr. Harris) makes reference, but I will avail myself of the earliest opportunity to have a look. I think the point the member makes is an interesting one. I certainly recommend that he bring it forward to the House leaders' panel so that we can discuss it more specifically.

I want to say, on behalf of a caucus of 95, that surely no one in this House wants to limit the opportunity of members of this caucus to participate in the proceedings of this House.

**Hon. Mr. Scott:** Alan Pope should never be allowed to ask another question. He has used more time than anyone else.

**Hon. Mr. Conway:** I will conclude by setting to rest the particular concern of some members opposite about my travels this afternoon. What I have been asked to find out is where, oh where is the member for Cochrane South (Mr. Pope)?

**Mr. Speaker:** On the point made by the member for Nipissing, I would like to inform the member for Nipissing and other members that today I believe there were three government members who asked questions. However, I am sure all members are fully aware of the standing orders and I would just like to read standing order 29(b) to the member.

"The order of oral questions shall start with two questions from the Leader of the Opposition, followed by two questions each from the leader or leaders of the other opposition parties in order of their membership in the House; all parties shall then rotate in questioning, starting with the official opposition."

I would say to the member I have tried my best to uphold the standing orders set out by this House.

## PETITIONS

### RETAIL STORE HOURS

**Mr. Villeneuve:** "To the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned, beg leave to petition the parliament of Ontario:

"We, the employees of Canadian Tire Cornwall, are greatly opposed to Sunday openings, as

are the clergy and the vast majority of businesses and workers in Cornwall.

"This would seriously affect our family lives and our religious obligations. We feel that we do not provide essential services of a life-saving nature, as do some stores, e.g., drug stores, etc. Therefore, stores such as Canadian Tire should not be permitted to open."

It is signed by 60 employees of the Canadian Tire store in Cornwall.

## ADJOURNMENT OF HOUSE

**Mr. McGuinty:** I have a petition dated December 22, 1987.

"To the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"Whereas the Christmas-Hanukkah season is traditionally a time for family;

"And whereas members of this Legislature who are from distant places are subject to the vagaries of travel which could occasion considerable time;

"And whereas the legislative support staff are subject to the same;

"And whereas the following people are particularly anxious to see the Legislature adjourn, namely, the following constituents of Ottawa South:

"Elizabeth McGuinty, Mrs. Dalton McGuinty I, Jocelyn Mary McGuinty, Liseanne Mary McGuinty, Dalton J. Patrick McGuinty, Jr., Dylan Charles McGuinty, Patrick John McGuinty XXIII, David Joseph McGuinty, Michael Terence Thomas Moore McGuinty, Brendan Paul McGuinty VI, Anne Marie McGuinty, Teresa McGuinty, Marie Angela McGuinty, Noralyn McGuinty, Connor Joseph McGuinty, Carleen Mary McGuinty, Dalton J. P. McGuinty III; Liam Brendan McGuinty, Matthew Carlos McGuinty, Caroline Nicole McGuinty, Gordon Patrick McGuinty, Lucille Mary McGuinty, Michael J. McGuinty-McKee," all of whom have duly signed. There is also a paw print on this paper of one Tory McGuinty, who is the McGuinty family pit bull terrier.

I am also posing this petition on behalf of the family of the member for Algoma-Manitoulin (Mr. Brown): Mrs. Lynn Brown, Micki Brown, Amy Brown, Paula Brown and Jennifer Brown, all of whom are with us in the gallery.

"We, the undersigned, petition all members of the Legislature of Ontario to expedite adjournment of the Legislature at the earliest possible time."



**Mr. Speaker:** I am certain the honourable member has read the standing orders, and it is certainly in order to present a petition and to advise the House that the honourable member has himself signed the petition. It is not the usual procedure to advise the House of all those who have signed.

#### RETAIL STORE HOURS

**Mr. Pollock:** To His Honour the Lieutenant Governor of the Legislative Assembly of Ontario:

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"We believe in the importance of keeping Sunday as a common pause day so that all people may have physical, spiritual and social health. We are concerned about the quality of life and the wellbeing of people of our province and we object to the further commercializing of life through the Liberal government's proposed Sunday shopping legislation."

#### INTRODUCTION OF BILLS

##### UNIVERSITY OF WESTERN ONTARIO ACT

Mr. Reycraft moved first reading of Bill Pr37, An Act respecting the University of Western Ontario.

Motion agreed to.

##### ELECTION AMENDMENT ACT

Mr. Sterling moved first reading of Bill 91, An Act to amend the Election Act.

Motion agreed to.

**Mr. Sterling:** Under the present law, people can vote by proxy in Ontario if they are away from their residence for reasons of employment, business or education, but there is no exemption, for example, if one is away on holiday travel or if one is called away due to family illness. Such occurrences may be unexpected or planned well in advance, yet there is no remedy for the elector in these situations and their opportunity to vote is lost. This was a significant problem during the recent election because it was close to the summertime.

I would like to allow people to be able to vote by proxy if they are away on election day for personal reasons. I believe we should encourage as many individuals as possible to participate in the election—

**Mr. Speaker:** Order. A brief explanation is certainly within order. However, this is not the proper time to debate.

#### ONTARIO MUNICIPAL MANAGEMENT INSTITUTE ACT

Mr. Campbell moved first reading of Bill Pr27, An Act respecting the Ontario Municipal Management Institute.

Motion agreed to.

1520

#### ANSWERS TO QUESTIONS IN ORDERS AND NOTICES

**Hon. Mr. Conway:** I would like to table the answer to question 28 and the interim answer to question 69 standing in Orders and Notices [see Hansard for Tuesday, December 29].

#### ORDERS OF THE DAY

##### TRADE WITH UNITED STATES (continued)

Resuming the adjourned debate on the amendment to government motion 8 on the proposed trade agreement between Canada and the United States.

**Mr. Cousens:** In the spirit of something that took place in my riding today, I think the whole spirit of free trade and the spirit of Canada could be brought to what is going on in this Legislature. The Olympic torch passed through the great town of Markham, through south York region and is winding its way up to Newmarket. It will come down tomorrow into Metropolitan Toronto.

It was an exhilarating moment for all who saw what happened. There was a sense of pride, achievement and participation. If only we could have something of that same spirit when we are talking about free trade, when we are talking about our country and about Meech Lake. If we could bring something of that spirit of coming together as a country, then instead of having fractious debates and instead of having what I call the three-ring circus that is going on in this Legislature now, we could begin to become a far greater and a far stronger country than we are. Indeed, the very fabric of our country is made up of its people and the dreams of those people.

What we are debating in this House is something that can impact in a very positive way on the future generations of our country. Our country has so much to hope for, so much to give and so much to be able to participate in. The free trade debate we are now in the midst of in this final week before Christmas, and which could well be prolonged into a greater period of time, is something that is tragic in its consequences for many people here. One of our honourable members, the member for Ottawa South (Mr.



McGuinty), just had a rather fun way of approaching the fact that he would rather be home with his family. The petition was signed by enough other people. They would rather be elsewhere.

I would like to go on record as sharing in this with the honourable member and those who cheered him on when he made the petition, because the place for us to be at this point in time, were it not for the importance of this debate, is with our families, in our ridings, doing something else. The fact that the federal government decided it did not need to pass a motion approving the federal Prime Minister's approval of the contract with the United States on January 2 and the fact that the US Congress and Senate have not approved the actions being taken by President Reagan hardly makes it necessary for this House to debate and debate the issue of free trade or freer trade, when in fact it is not going to change the whole impact a great deal.

However, what it does say is that many of us in this House are genuinely concerned with this parliament trying to speed through a quick approval of a resolution that is condemnatory of the free trade agreement without giving options, availability and time for all honourable members in this House to be able to participate actively in that debate, to be able to place on record their feelings, the thoughts they have and their understanding of the issue. I feel it is in some ways a tragic mistake the Premier (Mr. Peterson) has made. Maybe what he is doing is painting himself into a corner as he begins to remove himself even further from the mainstream of Canada.

Here is an opportunity for the Premier of Ontario to set up and give leadership to the rest of this country, to come forward with a conciliatory approach that says Ontario understands the importance of having a bilateral trade agreement with our neighbours to the south; Ontario knows this is going to be proceeding from the federal government's perspective.

We in Ontario are now going to accept the leadership role that we have always had in the past to help make it work, to help make this country come together in the spirit of what Confederation is all about, in the spirit of what the Olympic torch is all about, in the spirit of knowing that this country is worth fighting for. But it is worth fighting together to make it stronger rather than having the kind of battle that is being waged in this House, a battle of words where we have the Premier outlining his viewpoint and we have the opposition party so

categorically opposed to it that it is even further left than the Premier.

Then we have our party, trying to follow the path that says this pact is not perfect, but at least there is something to hold on to. It is a step in the right direction. The future negotiations that will take place on free trade can, we hope, refine it even more, not unlike what happened in Europe when the free trade agreement was struck in the European common market, when nations started to trade and do things with a common monetary system and the whole parliament they now have. But that evolved. It developed because there was a consensus and a hope. That same kind of expectation can be within this parliament, this House, this province and this country if people begin to believe that we can do things together.

I find it amazing that the Premier is able to come along and support the Meech Lake accord with a 20-hour debate and discussion, and yet after two years of strenuous work on the part of the many people who have been involved with this free trade pact, he is unable to come forward.

**Mr. Laughren:** On a point of order, Mr. Speaker: I wonder if we could see if we have a quorum.

The Deputy Speaker ordered the bells rung.

1527

**Mr. Laughren:** I did that for you.

**Mr. Cousens:** I thank the member.

I believe the people who should be here are not here. The Minister of Industry, Trade and Technology (Mr. Kwinter) still has not turned up. I was pleased that yesterday the Premier was able to take some time to be present for the debate, and I hope he will be able to come and participate in it before it is finished.

I would also like to make one other point. As I am talking about the spirit of what is going on, there are within the Premier's own cabinet differing views beginning to be known, some for, some against and some who have not made up their own minds on free trade. Yesterday, I made some closing comments on that and people laughed. But the fact is, the Treasurer and Minister of Economics (Mr. R. F. Nixon) has made no statements or comments against free trade and, in fact, his recent economic statement was very much in favour of it.

The House leader of the Liberal Party, the member for Renfrew North (Mr. Conway) has also been very quiet when it comes to the free trade discussions. The Minister of Agriculture and Food (Mr. Riddell) is getting such a lobby of support around him from the agricultural com-



munity, I do not know how a thinking minister of agriculture could not be supportive of the free trade agreement.

The Minister of Municipal Affairs (Mr. Eakins) surely travels throughout the province and understands what people are thinking. He does not necessarily do that with Bill 29, which is going to affect Metropolitan Toronto. The fact of the matter is, wise man that he is, I would think he is also on side—

**Mr. Haggerty:** On a point of order, Mr. Speaker: Under our rules of debate in the standing orders, the member is abusing his privileges in rules 19(d)(3) and 19(d)(4):

“3. Persists in needless repetition or raises matters that have been decided during the current session.

“4. In the opinion of the Speaker, refers at length to debates of the current session or reads unnecessarily from verbatim reports of the legislative debates or any other document.”

**Mr. Cousens:** I know the Speaker is not going to listen to that interruption. The point I am making is that the Premier's cabinet is not united in what is going on.

A summary point, honourable sir, is the fact that there are enough people within that Peterson government, if they could stand up and be counted, that the truth would begin to come out. Unfortunately, cabinet secrecy is such that it is not coming out in public.

But that cabinet cannot be totally, 100 per cent behind where the Premier is right now. The fact is that he has us so blinded with secrecy, the word is not getting out. By my count, I have it at 10, 10 and 10: 10 cabinet ministers strongly supportive, 10 cabinet ministers very much opposed to free trade and 10 who do not know.

I could give a list of them but I will not bother going though it, because it is not necessarily the most important point of the debate. My point is still valid: a lot of lipservice, but not a lot of honesty.

I would like to take it further. Yesterday, we were reviewing the Premier's speech to the Empire Club of Canada on November 4, a very significant speech. It was a speech in which, for once, we got the Premier to delineate his point of view on the free trade agreement.

I just want to touch on several points that came out of that speech. The first point brought forward yesterday is that when the Premier said the free trade agreement does not make access to the US market appreciably more secure, I find him wrong on about seven counts. In fact, the US

market is far more accessible to Canadians through the free trade agreement.

The first point is that US trade laws will give special consideration to Canada. In the future, no general antidumping or countervail duties will apply to Canada unless we are specifically mentioned.

The second point is that prior consultation will take place between the United States and Canada before new trade regulations and trade laws are brought up. There are no surprises. That is what that one means.

The next point the Premier did not give credit to in his speech was that declaratory opinions from the dispute panel allow for moral suasion to take place. That means when there is something to discuss we are not going to have to go through the legal process, but people will be able to sit down around a table and review the concerns and hopefully reconcile them before there are trade actions brought into place that are going to be dilatory to Canadian trade practices.

The dispute panel, furthermore, can trigger consultation prior to new measures by the US or Canada. This is another way the dispute panel can prevent an escalation of trade wars between our two countries. We will be able to work it out peacefully rather than have confrontation.

Furthermore, there is less chance of the United States sidestepping Canada by taking surprise emergency actions. It happens. Right now, because of the way trade laws are practised in the United States, it is not controlled centrally out of Washington, through the Senate or through Congress. It is controlled in many different places within the United States, within different states and within different forums.

Now, through this one broad, sweeping piece of agreement we have through free trade, there is going to be less likelihood of surprise emergency actions taken by the United States. That has become a problem which I will refer to later on in my presentation.

One further point the Premier did not recognize when he said there certainly is not going to be an appreciably more secure market in the United States is that we will not get into the legal hassles and wrangles, because the Canada-United States trade commission will be able to meet and resolve disputes with different levels of dispute solving mechanisms.

I further question the point made by the Premier when he said that the energy market is certainly not going to be enhanced or helped in any way by this agreement. I do not think there is any doubt that we have far more secure access to



the US energy market than ever before through this agreement.

In the Premier's speech to the Empire Club and the Canadian Club, he was also presumptuous when he said that the new proposed dispute settlement mechanism would not apply to Canadian softwood lumber. I mentioned that briefly yesterday, and the fact is that Canada could have won that battle under existing trade laws but did not determine to do so. But when he comes along and says that this new dispute settlement mechanism is not going to solve that one, it is apples and oranges.

That whole situation could have been resolved in other ways, and so he brings in a red herring. He uses it as an illustration to say, "You know, we in Canada are giving up something." We are not giving up something. Those existing trade laws that we could have used on the softwood lumber situation still exist, and we can still use them in order to make our point known, in order to win the legal battle.

Further in the Premier's speech, he has distorted the facts on saying that workers will go through tremendous dislocation. Does he not read the Economic Council of Canada report? The Economic Council disproves that theory. It says that 180,000 jobs could be lost—

**Mr. Callahan:** On a point of order, Mr. Speaker: I believe the honourable member has indicated that the Premier distorted the facts. I suggest that is out of order, contrary to rules 19a(8) or (9). I suggest that the member be required to withdraw that statement.

**Mr. Cousens:** Whatever the Premier did, he failed to give the full picture as to what is going to happen. When he claimed there were going to be tremendous dislocations for workers in this country, I believe he somehow did not reflect the story and the truth that is coming through from the Economic Council. The Economic Council indicates that 180,000 jobs could be lost over a period of time because of the free trade agreement, but it also says that up to 530,000 could be created.

I have trouble with all the different numbers that people throw out, because, on one hand, you are going to hear someone like the Economic Council say, "Hey, but I am using the numbers and you are using numbers." It must make it extremely difficult for people in Ontario wondering who to believe, because we get all these politicians coming up here quoting different sources and giving different numbers and the fact is, bottom line—and surely to goodness the Premier in his speech could have given recogni-

tion to the fact—there is going to be improvement, not hurt, to Canada through the free trade agreement.

The labour adjustment problem is almost nonexistent, but I would like to go a step further; if it is going to be a problem, why could our Premier and the Prime Minister of Canada not—and I believe the Prime Minister of Canada has not lived up to the opportunity that he has a chance to do now—

**Mr. Laughren:** On a point of order, Mr. Speaker: I think the member is making a speech that more people should hear and I do not think there is a quorum.

The Deputy Speaker ordered the bells rung.

1538

**Mr. Cousens:** Instead of the Premier condemning the fact that there are going to be massive labour adjustments, instead of the Premier indicating that there is going to be tremendous dislocation to Canadian workers, what he could begin to do is to say, "Our province is going to do something for those people who are going to be hurt by the freer trade practices that come into Canada." This Premier could come out and say, "We will have special programs for the wine industry that could be affected."

Last evening when I was meeting with a friend at a house party, he was concerned about the printing industry. Indeed, his concerns were something that I was not able to answer or address because I did not have enough information on it. I was not able to do so. I have already called a friend and I will call the federal government and ask what can be done about the printing industry in Ontario if in fact it is going to be hurt by it.

If there is going to be a labour problem, if we know and can anticipate that through free trade there are going to be difficulties, then the David Peterson that I know should become David and Goliath. Instead of having arrows and stones and throwing problems in the way, he should come out with solutions and say, "We are going to work together to make this a better province and a better country," instead of him coming forward and just saying, "Hey, worry-monger people, we are going to have problems." He has not done that. I really would like to see the day come when instead of coming out and just being critical and condemnatory, he could be complimentary and try to build.

It is almost as if Mr. Peterson was saying in his speech at the Canadian Clubs of Toronto and the



Empire Club on November 4, "What is the point of trying if we are going to lose anyway?"

Another point that I tried to make yesterday—and I am leading up to where I left off—I cannot believe that Mr. Peterson believes what he said when he said the federal government eliminated the national energy policy and the Foreign Investment Review Agency without asking for a single concession in return.

**Mr. Haggerty:** Right on.

**Mr. Cousens:** The member obviously agrees.

First of all, the national energy policy was a bad economic policy. Anyone who followed Pierre Elliott Trudeau through the 1970s knows that the NEP was Trudeau at his worst. What he did to western Canada and what he did to our whole energy policy in this country was really something that needed to be revised.

Second, when Mr. Peterson comes along and says that we went and gave away on FIRA, instead, FIRA has been replaced by Investment Canada. Why? Because Canada needs to encourage investment, not discourage it, and FIRA was discouraging it.

So when Mr. Peterson says in his speech that the government eliminated the NEP and FIRA without asking for a single concession in return, he was not putting them into the context of what is Canada. He was not doing that. Why did he not? I am sure he knows better, because I am sure he understands how the national energy policy was changed. I am sure he understands how FIRA was revised to become Investment Canada. Then why does he not put it into context?

**The Deputy Speaker:** May I remind the member that there is a parliamentary tradition to refer to other members by their riding name or their position, as opposed to their personal name.

**Mr. Cousens:** I usually try to do that, Mr. Speaker, and I will make sure that it does not happen again for a long time.

It is not true when Mr. Peterson—may I say Mr. Peterson? Premier Peterson?

**The Deputy Speaker:** The Premier.

**Mr. Cousens:** I like to be respectful, because he is our Premier.

It is not true when Premier Peterson said we in Canada gave away our right to pursue an independent energy policy.

We maintain that right, however. We maintain that right to control the exploration, the development and the production of energy in this country. That is written into the contract. It is implicit to the contract. The principle of propor-

tional access to energy by the US has already been adopted.

**Mr. Callahan:** In times of crisis, we'll freeze to death up here while they light up in Las Vegas.

**Mr. Cousens:** I am not going to comment.

Proportional access to American energy and to US resources has already been adopted by the Canadian energy plan.

Another point Mr. Peterson made in his speech was that the US will be the big winner. I say that in Canada the consumers are going to be the big winners. I tried yesterday to touch on some of the savings to consumers that will take place, that when consumers go to buy an overcoat—

**Mr. Callahan:** Drop over to Buffalo and find out what will be lost.

**Mr. Cousens:** Maybe you could have it and shove it in your mouth. Mr. Speaker, can you put him down or keep him quiet? I find his intrusions abusive and—

**Mr. Callahan:** You go on unemployment insurance.

**The Deputy Speaker:** Order.

**Mr. Cousens:** Is this honourable member going to be allowed to continue to disrupt?

**The Deputy Speaker:** Order, please. The member for Markham has the floor.

**Mr. Cousens:** The consumer in Canada is the big winner. When you start seeing that Canadians are going to be able to buy household products, furnishings and clothes for less money, sports equipment will cost less, carpeting will cost less. Look how much we buy right now from the United States. It will cost much less once the free trade tariff barriers are removed and we can begin to have freer trade with the United States.

I am concerned as well with the Premier's hysteria about the auto pact. There is no economic rationale for reduced auto production in Canada, and he alludes to that. The auto pact has not been gutted.

There are a number of other points I would like to make that are mentioned by the Premier. First of all, just touching further on the speech that he gave on November 4, when the Premier said the termination of the duty remission arrangement will severely limit Ontario's ability to attract new Japanese assembly plants, I wonder, first of all, if anyone has done a study of how many jobs were lost by existing Canadian automotive plants because of the introduction of Hyundai, Toyota and other assembly plants in Canada?

Interjections.



**The Deputy Speaker:** Order.

**Mr. Cousens:** I am asking the question; what is the future of manufacturing in Canada? Come down to a definition.

The Minister of Industry, Trade and Technology should listen to what I have to say. I will listen to what he has to say. The fact is he has been on a troupe around the province. He has not come back to this House. He has gone along, spent public money, picked up all the information he could about the free trade thing and he has not come in this House and tabled any kind of report from his little circus that he had running around the province.

This is our chance to come and table some of the concerns we have about the free trade agreement. He has not done so. Why not is beyond me because he has the chance every day. This House has been sitting since early November. I am concerned about the fact that the minister can come along and think he has all the answers. I do not think he does.

The fact of the matter is that the automotive industry has a real future in this country. If we come along and give it a chance and say that there is a context for growth, a context for building a stronger automotive industry, we can do it. But this government is not going to do it necessarily by bringing in industries like Hyundai, Toyota and some of these and to put—

**Hon. Mr. Kwinter:** That is the most absurd statement I have ever heard in this House.

**The Deputy Speaker:** Order.

**Mr. Cousens:** The minister might hear more if he started to listen and sit here some of the time.

Interjections.

**The Deputy Speaker:** Order. One person at a time, please.

**Mr. Cousens:** The point is, if there are seven jobs in the manufacturing of a car, how many jobs are there in the assembly of a car? Probably one in seven. How many jobs are coming in through the Hyundai, Toyota and some of these other plants? We are glad to have them, but are they going to be allowed to stay? Would they be fair to the auto pact? Was it a way of slipping business in the back door into the United States through Canada, through Ontario? The fact of the matter is, if we continue to have the kind of production plants that we have with Hyundai and Toyota, which I am glad to have—

Interjection.

**Mr. Cousens:** Let it not be on the record that the abusive statement made by the Minister of Industry, Trade and Technology refers to any bad

intentions on my part to be in support of industry and to be in support—

Interjections.

**Mr. Cousens:** I am not trying to get out of anything. I want to have a balanced statement that recognizes the fact—

**Mrs. Marland:** On a point of order, Mr. Speaker: It is my understanding that interjections are not permitted and I am taking very strong objection. I do not mind one or two, but we have two members on the government side of the House who are persisting beyond a point of a few casual comments. With respect, I would ask your ruling.

**The Deputy Speaker:** The chair recognizes one member at a time. I would appreciate that if members have comments to make, they make them when their time comes around. I recognize the member for Markham and he will address his remarks through the Speaker and ignore the interjections. I will now do my best to make sure they are kept to a minimum.

**Mr. Cousens:** Thank you very much, Mr. Speaker.

I think the point is that we in Ontario know the auto pact could have been in jeopardy had we continued to allow such—

Interjections.

**The Deputy Speaker:** Order.

**Mr. Cousens:** If we had tried to negotiate the auto pact on its own without having it as part of a general trade agreement, a bilateral trade agreement between our country and the United States, had that not been done, the consequence could have been very serious for Ontario because, for one thing, the auto pact could have been cancelled with 12 months' notice. If we had tried to negotiate the auto pact by itself, surely to goodness at that point the United States would have said: "To what extent are products that are being manufactured at these new assembly plants you have brought into Canada such as Suzuki, Toyota and Hyundai impacting in a negative way on the trade balance of the United States? Are you taking advantage of the auto pact because of the kind of trade arrangements they would then have by being in Canada for what is called manufacturing?"

1550

I sometimes find our own definitions rather hard to understand because manufacturing sometimes is nothing more than assembly. Fortunately, we are going to try to bring these companies up to a point where they are manufacturing far



more Canadian product in their vehicles, but that in itself could have been a problem when they first started by virtue of the arrangements that existed with Canada and the United States under the auto pact. I question the extent of the statement of the Premier when he said that the determination of duty remission arrangements will severely limit Ontario's ability to attract new Japanese assembly plants.

The fact of the matter is that Canadian duty remission arrangements are viewed by the US as cheating on the auto pact and would have resulted in countervailing duty trade actions had they been continued; that is, the termination of these arrangements does not represent a genuine concession since Canada would have had to alter these practices when trade actions were taken or when pressure mounted for a renegotiation of the auto pact.

The Premier's comments suggest that the current auto pact arrangements were permanent and not subject to change. This is not true. Canada faced a choice of getting a deal on autos in the free trade agreement or working out a new auto pact arrangement at some later point in time. Since automobiles and parts are the biggest single element of bilateral trade, it makes sense to include them in the free trade arrangement. However, the decision does not result in Canada making unilateral concessions, so the fact of the matter is that what the Premier has tried to indicate is that there was a major concession which could have been forced on us very, very quickly had there been any discussions on the free trade arrangement.

Another point that was made in the Premier's speech on November 4 had to do with this quotation. He said, "The high level of US ownership and control of companies in Canada could hinder Canadian penetration of the US market." I wonder what companies he was thinking of at that point. He never said. For the last 20 years I have been involved with an American-owned company run by Canadian management. It has a world mandate, a mandate to build product that is sold competitively in the world. That company is as much a Canadian company as any other company that is owned, operated and run by Canadians. The secret to it is that it has to be competitive, not only competitive in Canadian markets but also, in having a world mandate, competitive in world markets.

I question how companies like Honeywell from Minneapolis would ever come along and be worried by the kind of statement the Premier was making when he said free trade could hinder their

penetration in Canada. The problem I see is far more one of companies that have products manufactured in Canada and the United States—I am thinking specifically of one company that recently established a branch plant in Markham. It has a plant in Canada in Ontario, one in California, one in Mexico and one in Singapore. The Singapore plant is manufacturing exactly the same product as is involved in the other three plants. The cost to produce that product in Singapore, for a variety of reasons, is becoming far cheaper than it is to build in the Canadian environment.

What is the long-term strategy for the Canadian plant? I think the question becomes very simple. If profitability is the objective of companies, are they going to continue to manufacture in Canada? Not likely. They probably will do the same as some of the other companies that have moved out of Ontario into Third World countries or into Mexico, where labour is cheaper. That is the kind of thing that is going to hinder progress and hinder our standard of living if we are not able to be competitive with other countries.

If the Premier believes that US ownership will hinder our attack on the US market, I would like to know what companies he means. He does not indicate any companies in his speech, but I would be pleased to know just which ones he is talking about and we could follow that through. We could find out, if that is the case, what could be done to keep them here.

One of the other points made by the Premier in his speech was his questioning whether branch plants from the United States would be eliminated once all tariffs were eliminated. In other words, to what extent would branch plants that are presently operating in Canada—

**Mr. Callahan:** Why should they stay here?

**Mr. Cousens:** Now the member is asking the question too.

**Mr. Callahan:** You don't have to be an economist. Why should they stay here?

**The Deputy Speaker:** Order.

**Mr. Cousens:** I would like to have the member or the Premier name those plants that will be gone once the tariff barriers are eliminated.

**Mr. Callahan:** Name the empty buildings.

**Mr. Cousens:** No, no. The Liberals are the ones who make the statements. Their Premier is the one who comes along and questions whether US branch plants will stay in Canada once the tariff barriers are eliminated. If their Premier is



going to have the courage to say that, let us find out which ones he is talking about.

There are a number of reports which contradict the Premier's statement. A 1984 Conference Board of Canada survey of 7,500 potential investors revealed that tariff barriers had a neutral impact on the decision to invest in Canada.

A 1985 survey of 200 foreign corporations with Canadian subsidiaries conducted by the Department of External Affairs revealed that only 25 per cent of respondents would alter their investment decisions if Canada-US trade barriers were eliminated.

A third example is a 1985 study for the C. D. Howe Institute of Canadian investors in the US which revealed that one third considered US tariff and nontariff barriers to be very important in their decision to invest in the United States.

A fourth example is a 1985 study of Canadian investors in the United States by the International Business Council of Canada which revealed that the desire to overcome trade barriers was a major reason for the US investment.

A fifth example is a 1984 study of foreign-owned manufacturing firms in Canada by Professors Daley and MacCharles of York University which revealed that the majority of firms surveyed would not divest in Canada in response to the elimination of tariff barriers.

I think the point comes across very loud and clear that the elimination of trade barriers is not going to hinder the future of American business in Canada.

Another 1985 study of high-technology industries in Canada conducted for the Ontario select committee on economic affairs by Arthur Donner concluded that the divestment of high-technology firms following a free trade agreement is unlikely.

The point is that these studies provide strong evidence to suggest that trade liberalization will not lead to major closures of US-owned plants in Canada but the liberalization may slow down the investment outflow of Canadian dollars which is now taking place.

**1600**

You come along and wonder what the Premier was really trying to accomplish by giving this speech. I have gone through it a couple of times. I am still very concerned with the statements that were made yesterday by the Minister of the Environment (Mr. Bradley) who did the very thing that the Premier in his speech said he wanted not to do. At the bottom of page 1, he said we should not impugn the motives or question the

good faith of any province, region or individual. As I said, yesterday the Minister of the Environment indicated the people in Nova Scotia and the Maritimes bought the free trade agreement because they were bought off by the frigates. I find that just a little bit less than wholesome, especially when the Premier is trying to set a good example. I do not think his example is that good, but none the less he says the words.

One of the other points made by the Premier on page 10 of his speech is: "There is no reason to believe that it will be any easier to negotiate an agreement five years from now than it is today. Putting off tough decisions does not make them any easier."

I do not think anything is ever easy. If something is worth fighting for and worth working for, it takes a certain amount of concentration, effort and sacrifice on the part of all to make it happen. The European Community did not happen overnight. The point is, what we are seeing with the new free trade agreement is an opportunity for better trade, an opportunity for a better standard of living, an opportunity for consumers to benefit. The Premier is coming along and saying, "Hey, if you don't make all the decisions at once, then it's not worth making any of them at all."

The Premier also said, referring to the free trade agreement, "They gave away some of our devices to preserve Canadian culture, such as postal subsidies for the Canadian magazine and periodical sector." When he said that, did he really believe that it is going to happen?

Another statement made by the Premier: "Ironically, the federal government, which cooperated with us to attract Japanese assembly plants to Canada, has now severely limited our ability to expand those facilities and attract new ones. We would risk losing high value added work to the United States."

I do not think he really wants to say in the next sentence, but he should say: "Yes, we would continue to break the auto pact. We would continue to kind of work in our own hidden agenda but, the fact is, we know the auto pact would be jeopardized anyway by those Japanese plants and the other foreign plants that are coming into Canada."

Just a couple of other quotations from his speech which I find not all that satisfactory: "Proponents of free trade acknowledge that Canada would go through a significant period of adjustment. It is one thing to do that in a time of prosperity, but what if there is an economic downturn?"



What if there is an economic downturn? I do not think any of us takes for granted the great boom in the economy that has taken place in Ontario in the last several years, but I would have to tell members that if they are talking about a government that has done nothing to help make the economy prosper and go better, it is this government. What it could have done is fight the deficit far more; it could have done something, in fighting the deficit, to reduce the effect of inflation. I am sure it could have begun to put some money out there for business instead of taxing business; there are some 19 different taxes that have been added in Ontario since this government came to power.

I would like to see the investment made by this Premier and by this province to come along and say: "We will help make the free trade agreement work. We are prepared to do something about it."

I would like to ask the question here as well: Does the Premier really believe it when he says, "Our sovereignty is our most valuable asset"? I believe that, and members believe it; but by putting it into the middle of this speech, he is saying he is the only one fighting for Ontario and Canadian sovereignty. The fact of the matter is, I happen to believe the agreement that has been put together does a great deal, does everything it should, to protect Ontario and Canada's sovereignty.

Further, the Premier was saying: "We need to ensure that Canadians can sell our goods and services in the US market without being hamstrung by unreasonable protectionist measures." My answer to that is, we can and we will. He goes further. He says, "We need to be able to set our own course and make our own decisions: about investment, energy and other facets of the economy." We can and we will. This free trade agreement gives that option to Canadians. It does not take away any of the rights and privileges we had in the past.

He says further: "This deal is simply a bad deal for Canadians. No deal is better than a bad deal." That is absolutely wrong. In some cases, it is a true statement; in the case of free trade, it is not. You can take any statement you want and put it in the middle of any paragraph or in anything you want. The fact is, the Premier has said about the free trade agreement, "No deal is better than a bad deal." I am telling members he is wrong. I disagree with him, our party disagrees with him and there are many Canadians who disagree with that statement.

When he says no deal is better than a bad deal on the free trade pact, he is misleading—I will take that word back—he is not really interpreting.

I do not want to be offensive to the Premier, even if he is being offensive to the rest of us by making some of these statements.

I disagree strongly with the statement of the Premier when he says, "No deal is better than a bad deal." I believe that what we have in this pact is not a perfect deal. I do not say it is perfect, and I do not have all the answers. I wish I did, because I think it is such a great big step forward. There is an awful lot to it. I have a number of books here that I will be referring to before I am finished.

But the fact is, as the leader of our party said on the day we selected him, the member for Sarnia (Mr. Brandt), as leader, "Half a loaf is better than none." I think his point has a certain amount of validity. I do not want to pretend to anyone that the free trade agreement is perfect, but it at least offers the opportunity for Canadian business to move into the United States markets and to start to trade there, giving them a reciprocal opportunity to trade in this country.

The Premier also said, "It is no act of faith in Canada to say that we are so weak, so vulnerable, that we can survive only if we surrender much of our sovereignty and our ability to direct our own economy." I disagree with that. Our sovereignty and our own ability to direct our economy are not changed because of this agreement. He said, "Canada has the resources, the knowhow, the industrial base and the talented work force to compete anywhere in the world—not just in North America." That is true, and I hope we can continue to open up trade opportunities around the world.

The fact is, better than 80 per cent of our trade is done south of the border. Let us continue to keep those lines of communication open. It is as if the Premier is offering to the people of Ontario an alternative place to trade. There is not one alternative place to go.

The European common market is almost closed to us. You have all these other markets around the world: the Soviet bloc countries have theirs, Latin American countries have theirs, East Asian countries have theirs. For us to trade effectively with other nations, we would have to have a trade arrangement, a trade agreement. That trade agreement will not happen, because they already have their little pacts, their little arrangements all set up. The only two countries in the world that can survive without a trade agreement, that are really allowed to trade on their own—and they can almost trade by themselves—are the United States and Japan.



What we are trying to do through this arrangement, through the free trade pact, is to give Canadians an opportunity to trade with our large trading partner to the south of us. I think it is for the best. I think it is a positive step forward. I would like to see some action taken by our Premier and by this government that allows for a far more conciliatory approach towards this agreement.

I would like to suggest that the Premier, instead of coming out and condemning the agreement as strongly as he has, come forward and say that we as Canadians are proud of our heritage. We know we can co-operate and work together. It is time for us in this country to realize that there is about to be signed, on January 2, an agreement between our country and the United States. I think it is time to stop the attitude of—in fact, maybe I am firing it up by even speaking today; but I have to, because if I do not, there probably will not be another opportunity in this parliament for a member to speak on the free trade agreement.

It is not the opposition or the third party that sets the agenda of the House; it is the government. It is the government that has come in with this condemnatory resolution that is forcing us to continue this debate.

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I am not enjoying being here today. I would much rather be elsewhere, as I am sure would all other members in this House. What we need to do is face up to the fact that we are not gaining an awful lot for the free trade agreement by coming along and throwing arguments back and forth. It is like throwing stones. It is like a tennis ball that is going back and forth. It is like a three-ring circus where there are three different parties each with a different point of view.

One can summarize the whole argument of the free trade discussion into four words, "I'm right; you're wrong." Who believes anyone at this point because of all the rhetoric, all the hysteria and all the misleading and generalized statements that the media and others have brought out? I think this is a time when someone in this country should stand up and speak without the prejudice and bias that is so present right now. That same person could be the Premier of Ontario who could lead the way so this country would come together around it.

I do not want to see this country torn and divided because of the free trade agreement. I think we are in a position to make this country stronger than it has ever been. Now we have one Premier who is ready to back out of the Meech

Lake accord. What a way to end it. I do not deny that I do not like Meech Lake, but I would rather see us come together on things, as I said earlier, in the spirit of the Olympic torch for Canada.

I think there is a growing feeling among people in this country that they are being pressured into a decision. Others remain confused. When we are out talking to people, I do not think any of us from any of the three parties does not realize that they do not not understand what is involved and what is happening. They do not know how to make up their minds. They do not know who to believe. At this point there will be all kinds of people trying to set the record straight.

Contrary to a few editorial boards in the newspaper industry, I believe the free trade agreement is not as bad nor as final as it is being made out to be. I think little attention is being given to the fact that should a situation arise as a result of the deal that is completely unacceptable to the workings of this country, the agreement can be cancelled on six months notice. That is in article 2106 on page 304 of the agreement. The whole thing can be scrapped, cancelled, by either party on six months notice.

**Hon. Mr. Kwinter:** That is like trying to unscramble the egg.

**Mr. Cousens:** As long as the member is saying that once it is in place, he will help keep it there, that is good. I am really pleased with that. I think that is the best word I have heard yet from the Minister of Industry, Trade and Technology.

The fact is that under article 2104, amendments can be made to the text. This, in itself, can open up the opportunity for the refinements, changes and improvements to this agreement that are going to be needed over the next several years, realizing in the first place that one does not get all the way in the first set of negotiations.

No negotiated agreement will be to the liking of all sectors. I realize that. But I believe this agreement is a good start which will ultimately be in the best interests of our country. I believe it is in the spirit of our co-operative efforts that we as a nation stand together, stand tall in making this agreement work. I believe those sectors which may be adversely affected in the short term will need not only our assistance but also our united efforts to adapt to the change. That is the kind of leadership I would like to see come from the government of Ontario, where it would be there setting the example to those other provinces, realizing that we are leaders, that we are Canadians first, that we are Ontarians second and that we can help make this program work for this country.



The free trade agreement is probably misnamed by being called the free trade agreement. It is probably a freer trade agreement inasmuch as when one starts thinking of the whole relationship of our country with the United States over many years of history, it has taken a long time before any government has been able to craft a document like the one we are debating in this House today.

You go back to the years of the 19th century. In 1854, there was the Elgin-Marcy Treaty. It provided for free trade, even back over 125 years ago, in agricultural and forest products. It had free trade in ores and metals. There was free trade between Upper Canada and the United States in dairy products. There was also free trade in fish. In those days you used to be able to catch a few fish in the Great Lakes. Those trade arrangements had been worked out in 1854. Between 1855 and 1863, these bilateral trade agreements between Canada and the United States accounted for up to 90 per cent of the gross provincial product taking place in this province.

It was a decision of the United States in 1866 that abrogated that treaty. During the next 50 years after that, there was sporadic interest in a free trade or a freer trade arrangement between Canada and the United States. In fact, there were efforts by Sir John A. Macdonald—he had his policy on Canada—but there were American protectionist policies which continued to keep the trade walls high between our two countries.

Then in January 1911, the Prime Minister of Canada, Mr. Laurier, negotiated a deal providing for reciprocal, duty free trading on some and reduced duties on other goods. He opened up the option we are now talking about today. It was approved by Congress, but Laurier was defeated by the Conservatives and never put the agreement in force.

It is a battle that has been going on for a long time. The whole issue arose again after the Second World War. There was a deal put together by Mackenzie King in 1948. It collapsed because around that time the General Agreement on Tariffs and Trade, known as GATT, came about. Our country and the United States began to look at what could be done through GATT, through a multilateral trade liberalization that could take place between our country and the United States and a Europe that was beginning to come alive again and with other countries that then were not known as Third World countries. Then there was that whole opening up of trade and the beginning of Japan as a world marketing force.

During the Trudeau years, it was a time of Canadianization, a time of the national energy policy, a time of the Foreign Investment Review Agency. This was a time when a lot of capitalists from the United States and other countries were scared off. They decided not to come to Canada. They decided they would stay in their own country and rely on the opportunities there. None the less, Canadian exports to the United States, from 1973 to 1985, rose from 68 per cent to 79 per cent.

I guess the next stage that came in was when President Reagan was elected in 1979 and when there was the conclusion of the Tokyo Round of GATT. At this point there began to be more of an interest by Americans in a bilateral agreement. As of 1984, that whole process began to be thought through and discussed. Canada began in 1984 bilateral sectoral trade talks with the United States.

Then in 1985, Donald Macdonald had his royal commission and was able to endorse a number of initiatives that began to have a significant effect. I will come back to what some of those are later. He began to crystallize the thinking and the opportunities that could exist for Canadians by opening up better trade arrangements with the United States.

Canadians have always had a number of basic expectations from a trade agreement. First, we know our economy is not large enough to continue to survive on our own merits by ourselves without having a trade arrangement with another country. Canada must reduce its dependence on resource-based exports and move to secondary manufacturing. Indeed, that is something that has begun to happen in this province more and more.

Through the Tokyo Round of GATT discussions, we found we were no longer protected by high tariffs from foreign competition, nor were we blocked by high tariffs from penetrating the United States and other advanced industrial countries.

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The obstacles are great. They are obstacles because in the United States there are many trade barriers. There is all kinds of protectionism. But there is a need for diversified growth that shows we in Canada cannot rely on our own internal nationalistic policies as an answer. What we have to realize is that we in Canada have to go outside ourselves. We have to be able to find opportunities, not unlike what Great Britain was in the 1700s as a trading nation. It was powerful because of its ability to trade and to market.



I believe we will have a great failure in this country if we fail to complete the agreement with the United States for a bilateral trade agreement. I believe it is precedent setting. It is a breakthrough of significant proportions. It can have ramifications for many other countries that are watching what is happening in Canada and the United States on the North American continent right now. Those countries might take this as an opportunity for them to open up special trade arrangements to break down some of the walls they have themselves. This could open up Third World trading forces we have never seen before.

A bilateral trade agreement will protect us from some of the worst inclinations we have on this continent. First of all, it can protect us from what is happening in the United States, which is a form of protectionism, and it can protect us in our own country from the kind of administrative protectionism that comes from the government.

I am impressed by an awful lot that has been done over the last short time leading up to the kinds of things that have been manifested through the preparation and presentation of the free trade agreement. I believe we have reached the point where we have grown a great deal from the days when we had the original Elgin-Marcy Treaty. The United States has grown a great deal since 1866 when it abrogated that agreement. Increasingly now in Canada, we are at a point where we know that we have what it takes. We are able to go ahead. We are able to compete effectively with any other country. We are able to stand up on our own two feet. We are proud of being Canadians and we do not think we are going to be held back by any other force.

I am impressed by an awful lot of what Donald Macdonald did through his task force. This was a task force that was established in the fall of 1982. Properly titled, it is called the Royal Commission on Economic Union and Development Prospects for Canada and it was chaired by Donald S. Macdonald, a former cabinet minister, a federal government Minister of Finance. This report that he prepared—he was not the total author of it—is one of the most comprehensive analyses to date. It deals with the issue of government versus market forces in a Canadian setting.

I was reading an article by Irving Brecher in *Policy Options*, written in January 1986. He points out that the report by the Donald Macdonald commission “uniquely makes the case for viewing international trade policy as the focus for Canada’s economic and institutional response to the challenge of the 1990s.”

I would like to refer briefly to the volume that has been prepared. It is the report from the royal commission, volume 1. There are a number of points made in this report from this commission. To highlight some of the thoughts they have given:

Point 1 on page 378: “For almost 40 years, Canada has pursued a largely multilateral approach to its foreign economic policy. Indeed, we have been one of the strongest supporters of the multilateral system centred on the GATT and the International Monetary Fund.” Nothing in the free trade agreement is going to take away from those efforts. Indeed, what we have to continue to do is find those niches, find those opportunities and develop them.

He points out a few questions. He says: “For Canadian producers and investors, there are several tests of this international system. Can our government successfully improve market access for those sectors where Canadian production is or can be competitive in world markets? Will it maintain current access available to Canadian producers? Will it protect producers from unfair or injurious foreign competition? Because private sector investment is necessary for growth and job creation, Canadian producers need to be confident that their access is secure and that foreign governments will not move to frustrate the efforts to market Canadian goods abroad.”

Those questions have been answered in the free trade agreement and they have been answered in an affirmative way.

Another point he makes is that “Canada’s economic growth is critically dependent on secure access to foreign markets.” Here I underline a most important sentence. “Our most important market is the United States which now takes up to three quarters of our exports. More, better and more secure access to the US market represents a basic requirement while denial of that access is an ever-present threat.” That denial would come through countervailing; it comes through duties, through tariffs, through protectionism from the United States.

Another point that comes through in the report made by the Macdonald commission is that the pursuit of Canada-US free trade is not at odds with efforts to strengthen and improve the existing multilateral framework. So it comes around, the picture is full. We are not jeopardizing our opportunities and the important options we have to trade with other countries but we are building a special network with our neighbours to the south that can open up our futures in a magnificent way.



There were three recommendations made in the section on international trade. The first one is: "Canadians have benefitted from and contributed to the multilateral system of trade and payments developed primarily in the last 40 years and we should continue to support that system as the mainstay of our foreign economic policy. Canada is sufficiently strong and independent, however, to pursue bilateral initiatives, including better economic relations with the United States within the framework of multilateral relations."

The second conclusion he draws is that "Canadian import policy in general should be based on a recognition of its cost to consumers." The most important thing is the cost to consumers, as well as the protection of our environment, the protection of our sovereignty and these other things. But the cost to so many Canadians—if we can reduce what they are having to pay out in order to live and exist in an inflationary society, we are going to see costs and prices go down. That, in itself, is going to be an achievement. "Canada should minimize any new protection, reduce protection gradually as part of bilateral or multilateral negotiations and accelerate adjustment processes."

The third and final point Macdonald makes is: "Export promotion should be pursued aggressively and with greater reliance on the private sector mechanism. But the degree of subsidization this may involve should be within internationally accepted rules and practices."

It has been thought through; it has been considered; it has been developed. We are in a position where we know that through the kind of thinking that has been put together by the Macdonald commission, there was a basis, a foundation, the beginning of an opportunity for the federal government to open up those trade opportunities.

When one starts thinking about some of the other concerns, there is one of the points made by Brecher when he says, "Free trade is the main instrument in this commission's approach to industrial policy." Free trade is the way in which I have heard the Honourable Tom Hockin from the federal cabinet describe it at meetings in my riding. He and many others recognized the need for larger and better markets for Canadian business. If we have that opportunity for markets, that is going to open up better opportunities in this country for jobs, for people who are going to be driving the machinery of business.

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Another point made by the commission and echoed by Brecher is, "The role of governments is not to retard competitive market forces, but to complement them by positive adjustment measures." We saw the worst of what government could do when the national energy plan was in effect in the 1970s. It forced out of this country so many of those entrepreneurs and those petroleum experts who were in the process of trying to open up new wells and make the Canadian petroleum industry come alive. When government got involved, things fell apart.

I do not think we are in a position ever, now, to have free market forces because there is so much government. People in Canada seem to have a lot of confidence in their governments to run things for them, but government should find a way of maintaining harmony and balance with business so they are able to develop strategies together, so business can prosper.

Maybe the most important thing is that the environment for business is right. When that environment is right, then business can proceed and develop new products. We have seen that in the high-technology industry. We have seen what happened in Silicon Valley. We have seen what happened in the Boston area. We have seen what happened in the triangle down in the southern states. It happens. Somehow the government is involved, but so is industry, so is education and there is harmony and there is working together.

What I would like to see happen is that, through the free trade debate and through the opportunity we have by opening up trade, we will have all levels working together: federal, provincial and municipal governments somehow harmoniously understanding that we have a mission, a mission not unlike what our country went through in the Second World War when we said, "We are going to go into this war, we are going to give it all we have and we are going to win." We made a contribution far in excess of our size to the effect we contributed to the world need.

But we believed in it. We were harmonious. We were committed. What we are not seeing now is that sense of commitment, that sense of vision, that sense of working together. I believe we have the opportunity for success by having governments working together to stimulate market growth and to stimulate business.

I would like to refer to another quote cited by Brecher: "Governments generally lack the capability to orchestrate or even formulate a comprehensive, detailed industrial strategy of the kind advocated by the more ardent interventionists."



Even if a detailed strategy were possible, it would not be desirable. The world is just too complex and the need for flexibility and adaptability too great to justify confining the private sector in such a straitjacket."

Somehow, that brings through the point I am trying to make that the private sector really can have the doors opened for it through a free trade agreement. Once that begins to happen, we in this country can begin to see the effect of having those doors opened. At this point, what we are seeing many people trying to do is lock the doors.

I think one of the very positive things that happened in this country and in this province has been the kind of trade mission that our province has sponsored. I had the pleasure of participating in a trade mission to Europe a couple of years ago. I was in Paris, Brussels and London and was able to work with entrepreneurs who, to that point, had not been overseas and had not had a chance to show their wares at an international show.

What we have got to do is realize that we want to do that, but we can also open the doors, the highways and the systems for trade with the United States.

There is another quote by Brecher. I am impressed by a lot of the comments he made and this is the last quote I will read from him, in *Policy Options* in 1977: "I have no hangups about a long-exploited Canada totally incapable of pursuing its own interests in a broad free trade arrangement with a greedy, all-powerful neighbour. Canadians face a fundamental policy choice: Keep on muddling through or take a calculated plunge into the productivity waters. The jump carries its share of risks, but it is the only choice for a Canadian economy strong enough to accommodate domestic demands for progressively higher living standards while playing a dynamic and significant role in the development of the world community."

There is a jump to it. In fact, when I think of my theological background with Soren Kierkegaard and the leap of faith, there is an element of that with the free trade agreement. I do not think we have everything all worked out perfectly, but over a period of time once that leap has been taken, it will lead to opportunities that only come if you make the jump.

The fact is we have done enough testing and enough analysis and enough measuring. We know the depth of the water. We know there is enough help to pull things back if we need to. We know what is going to happen to it. Now what we have to do is have some faith and trust that we are

capable of presenting our products and our wares and ourselves on the US markets successfully, and we can be successful and we will be successful and what this agreement gives us is that opportunity. It give us the opportunity which otherwise would never come.

I believe we are into a crossroads of the most historic nature. Successive administrations of prime ministers and of presidents on both sides of our country have—

**Mr. Neumann:** Eliminate the border; that's what you guys are going to do.

**Mr. Cousens:** How terrible. I will come back on that one. I will correct that one.

Successive administrations of both prime ministers and presidents have raised the aspect of free trade since the mid-19th century, as we have already referred to, and each time a real or proposed deal has gone down to defeat. It is not easy to negotiate a free trade agreement. It is hard to put all the facts on the table. It is hard to handle biased media. It is hard to get away from politicians being opportunistic.

So you then ask, "Why should this deal be any different?" I believe it is different for a number of reasons, first of all, the realization that increasing protectionist sentiment in the United States is one of the greatest threats to a vibrant and healthy Canadian economy. The US is not one of the last free trade countries. The fact of the matter is the US is building such protectionist measures that if we do not have a program to protect ourselves, we will be locked out, closed out of that opportunity.

**Mr. Callahan:** Is it any less since they started negotiating?

**Mr. Haggerty:** Just take a look at what Wilson is doing with his tax reform. He's suggested that he is going to put a tax on food; you talk about cheap food from the United States.

**The Acting Speaker (Miss Roberts):** Order. The member for Niagara South (Mr. Haggerty) will have a chance to speak in the proper rotation. The member for Markham will continue.

**Mr. Haggerty:** He said that was his last quote. He's repeating himself.

**Mr. Cousens:** No, my last from Mr. Brecher. I would like to refer to a speech presentation that was given by Alan M. Rugman, who is professor of international business at the University of Toronto. He was talking to the York Technology Association in Markham on September 23. I was there for his presentation. He is an excellent speaker. Indeed, when he talked about the closing down of the world trading system he



talked about why Canada needs an effective dispute settlement mechanism.

He brought out a number of facts I am sure members are not aware of that have to do with the development of protectionist spirit in the United States, and he comes to a very major theme about administered protection in the United States. When he talks about it, he says, "The world trading system is on the verge of closing down."

I repeat that: "The world trading system is on the verge of closing down. Forty years of growth have been fostered by the gradual liberalization of trade, especially among members of the triad powers, the United States, the European Community and Japan. Smaller nations such as Canada and the newly industrialized nations have also prospered due to the enhanced global trading."

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The fact is, he is concerned about the world trading system closing down. Then he goes on to explain how it is closing down and why it is closing down and he points out that under United States trade law, domestic producers can launch actions to have countervailing duty and anti-dumping investigations made against rival foreign producers.

In addition, US firms can request more general investigations when their industries are perceived to be suffering from import competition. That is going to change, my dear friends, because when it comes out we have bodies to discuss it, debate it and consider it. We will have a chance to react to it, which we do not have now. I am glad that the member for—where can I find him on here?

**The Acting Speaker:** I would remind the honourable member for Markham to address all his words through the Speaker.

**Mr. Cousens:** The point comes down to this, inasmuch as he understands it, then he should understand the negative impact that those barriers have on Canadian trade.

**Mr. J. B. Nixon:** They continue to exist.

**Mr. Cousens:** They will continue to exist, but before they go into practice, there will be different forums developed within the establishment of a free trade agreement that will allow Canadians to discuss it, to react to it, to use moral suasion, to review it or to bring out changes before they go into effect.

We have had a change in Speakers and it is a pleasure to see you back, Mr. Speaker, although the other Speaker did an excellent job maintaining this unruly bunch.

Since the 1979 United States trade act made this type of process of protection possible that we just described in the United States, there have been over 300 separate countervailing duty cases and about 400 antidumping cases in the United States. An increasing proportion of these result in positive preliminary determinations of material injury and a substantial proportion result in penalties being imposed to offset alleged foreign subsidies.

**Mr. Callahan:** In other words just quiver and run off and just sign anything.

**Mr. Cousens:** I am just saying, and the member obviously did not understand it, since 1979 there have been 700 different examples in the United States of protectionism.

The honourable member, Mr. Speaker, does not understand and he keeps interrupting, but I think there might be hope. He is showing interest. He is coming along. I am hearing his head rattle, or is it his tongue? I respect what the honourable member has just said though, because the fact that he is aware of the countervailing duties that are going on in the United States and the effect they have had on Canadian imports into the United States means it is all the more important that we find a way around them, a way through them and get rid of them through the free trade agreement. We are on that route.

**Mr. J. B. Nixon:** No you are not.

**Mr. Cousens:** That is the point my friend. The United States, according to Rugman, now has the most active system of nontariff barriers to trade. He goes on to point out several other hundred countervailing duties that took place in the United States.

The point here is that it is all happening and if we in Canada do not come out with a strong statement, a strong idea of where we want to go, then we will not have a chance in the world trade markets. Canadians will not be able to do it because we do not have enough people to sell to in this province or this country unless we can open up some trade opportunities elsewhere.

The point I made there is that there is increasing protectionist sentiment in the United States. This is indeed one of the greatest threats to a healthy Canadian economy. The second point I would like to make why this free trade agreement is historic and meaningful and absolutely essential to the future of this country and this province, and we have said it before, but let us say it again, is that the United States is Canada's largest trading partner. Maintaining this relationship is ultimately in our best interests.



We are talking about the needs of our society. We live in a very dynamic country. The demographics for change are here now. Canadians who have studied the matter—and I refer to a prominent Liberal who was in charge of this report on the Royal Commission on Economic Union and Development Prospects for Canada and many others, regardless of party affiliation—understand the importance and the need to develop this trade arrangement. They see Canada as I see Canada, as a country with opportunity, as a country that can open up those doors and walk ahead with courage and confidence.

We in this country have developed a lifestyle. We have social services and universal programs that none of us wants to see hurt. I believe immensely in the dream of Canada. I believe that what we are talking about with this free trade agreement is an opportunity for Canada to become an even greater force on the markets of the world and an example in all the cultural and meaningful things that we have built here for civil rights, for our freedoms and for our sovereignty, a respect for people—except in this Legislature, it seems at times.

The fact is, it is a time for change. An opportunity is knocking. Unless our economy keeps pace with the international community, we cannot continue to sustain these programs. We cannot continue to have the excellent health program and programs of service for unemployment that we have in this country. We have to be able to drive these programs with money, and the money for that will come partly through increased trade and increased services.

**Mr. Callahan:** He does not know what he is talking about.

**Mr. Cousens:** I will not comment. The honourable Deputy Speaker does not seem to want to recognize some of the noises.

The government cannot continue to artificially keep the structure of Canada going without the necessary impetus from the private sector.

I will show members shortly how the private sector has been involved in the development of the free trade agreement and how this has been something that was not just a brainchild, a dream child or an idea of one or two people in Ottawa or one or two people in Washington. It is in fact something that has come through government working effectively with business. It is somehow now being blocked by the Premier of Ontario, who is saying, "I am going to take it to the Constitution." There is another Premier who says he is going to back out of his agreement on Meech Lake—maybe. Who knows?

The fact is, we in Canada have to work to develop and build relationships with other countries. I think it is only a matter of time before the infrastructure that we know as Canada will collapse under the weight of the demands of the system unless we find ways of opening it up so that we have that new infusion of funds. If we wait, how long are we going to wait? If we do as the Premier said, "Wait until the deal is perfect," how long would that be?

I believe we are on a historic pilgrimage that opens up a marvellous opportunity for this country. I believe this country is maturing to a stage where it can withstand the United States television that comes into it.

There are some things I would like to see us build and maintain. I would like to see us have a strong educational system. The Minister of Education (Mr. Ward) is in the House today and I think he has the kind of spunk and spirit to continue to build a strong educational system.

**Mr. Breough:** What?

**Mr. Cousens:** I hope he does, and I think he believes he does.

**Mr. Breough:** Did you and Cam have a falling out or what?

**Mr. Cousens:** It is getting close to Christmas.

**Mr. Breough:** He is saying nice things about the government. He is running out of gas.

**Mr. Cousens:** I need some new schools in York region. We are going to be coming on bended knee and the honourable minister will be kind, I am sure, as he was last year.

Interjections.

**Mr. Cousens:** That was an even better Minister of Education.

I believe we can compete and succeed in the international community. In fact, we have the talent, the resources and the skills in this country and we can become the kind of world force that I am thinking of. I believe we can reach the point now where we can stop being preoccupied with the fear that we are going to be integrated into the United States and become another state, another star, another line in the flag. I believe that we will continue to lead in many areas, and in all the areas that we want, because those options are intact in the free trade agreement.

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In Canada, we have a tremendous opportunity to define a Canadian character within the international community, a community that is increasingly integrated and interdependent. I am proud of the fact that I am a Canadian and I will



continue to be proud of it. With the free trade agreement there is no reason why that pride should be diminished. I believe this free trade agreement begins to open up opportunities for other countries. We can become a model for those in the Third World countries who will begin to see that they too can find better ways of expanding and improving and developing. The free trade agreement that we have with the United States does nothing to preclude any relationship we have with any other country. The precedent set by this agreement can be argued to be a powerful tool in breaking down barriers of the have nations which continue to hinder the development of Third World countries.

As we face the future of what this pact is all about, we look very closely at what the free trade agreement is. There is the synopsis of it. Very few Canadians will have a chance to get through the whole agreement before January 2.

**Mr. Miclash:** Are you going to do it for us?

**Mr. Cousens:** No, and I would have a difficult time completing the entire debate and the discussion on that in the time we have. By tabling this in time for us to have this debate now, we can at least dispel some of the myths that people have about the free trade agreement.

During the past several months, and I do not know who has perpetrated the myths more, whether it is the newspapers, the media or the circus that has gone on across the province trying to put down free trade—I will not get into a negative thought; maybe the Premier is the sole cause—but during the past two months many myths and distortions have been raised about the implications of the free trade agreement on a variety of issues. I would like to go through some of those myths and dispel them so that people can see for themselves—those who are listening to this debate, those who are reading the Hansard, those who are watching it on TV when there is nothing else to do. Let us then look at some of the myths that have been perpetrated by those who oppose the free trade agreement.

The first point that I have seen raised by a number of people is that the free trade agreement will lead to a flood of US pornography and handguns in Canada. Does the minister believe that?

**Hon. Mr. Kwinter:** No.

**Mr. Cousens:** Good, because in article 407, in chapters 5 and 12, they make it clear that it is Canada's right, under the General Agreement on Tariffs and Trade to control pornography and firearms, that our control remains untouched by this agreement. In other words, this agreement

maintains Canada's culture, Canada's way of life. I think that we could do more to fight pornography than we do now. I think there are more things we can do to build on the strengths that we already have. I certainly believe that the last thing any of us want to have is the kind of handgun legislation that allowed people in Florida to come along and start sporting side-arms. That is not Canada.

It is not true that Canadian law regarding pornography and handguns is going to be negatively affected.

The next point is that free trade will lead to the end of bilingualism in Canada. There are many francophones who are concerned that free trade is going to destroy, ruin or take away some of the inherent rights that they have as Canadians. Chapters 5 and 12 of the agreement lay this fear to rest. It is simply untrue.

I am concerned, on the one hand, that this province may try to push Ontario into official bilingualism. I think it is the same kind of stance that the Premier has taken in opposition to free trade. He can take the same kind of position for official bilingualism, and his caucus, all 94 of them—or 93 now, effective shortly—are just going to come along without thinking and agree with it. I challenge them to be a bit more wise and understand the needs of the province.

The fact of the matter is that Canadian culture is going to change significantly, not because of the free trade agreement but because of the Meech Lake agreement, something that was designed in 20 hours. The agreement we are talking about now took more than two years, three years, 100 years to evolve and develop.

There have also been rumours and worries that free trade will unleash wide-open competition in the service industries. Article 1402 makes it clear that existing laws and regulations governing services remain untouched. The agreement relates to future laws and regulations.

In other words, Canadians can compete. If Canadians want to get the spirit of the war effort for the Second World War, which I talked about earlier, we can come alive and we can become a major and a dominant world force in the marketing of our goods and services around the world. We have the fibre. We have the strength. If only we believed in ourselves, we could use our young people, our resources, our educational institutions to continue to open up and develop the service industries.

Another myth is that free trade will destroy social programs. Some people say Third World goods will enter Canada, forcing Canadians to



end social programs to remain competitive. I have touched on that one earlier. The fact of the matter is that we know our social programs can and will survive. It is clearly articulated in the agreement.

Under the rules of the General Agreement on Tariffs and Trade, generally available social programs are not countervailable. As an example, the United States has already examined—and this is one I am sure the member for Oshawa (Mr. Breugh) knows a lot about—the fishermen's unemployment insurance benefits in a past dispute and found they are not countervailable. Social programs will continue to be intact.

Under both GATT and chapter 5 of the free trade agreement, Canada and the United States can both impose a sales tax to raise revenue to fund government programs provided it does not discriminate against imported goods, i.e., if all goods consumed in Canada or in a province are taxed equally.

In other words, we can continue to do what we want. In other words, when the Treasurer and Minister of Economics comes in with his new budget, he can increase the taxes by one cent or two cents on the dollar or whatever he wants to do.

Federal and provincial governments have long imposed sales taxes which allowed Canada to finance a wide array of social services while maintaining competitive corporate and personal tax systems.

The other point that substantiates and completely makes my point in saying that the free trade agreement will not destroy social programs is that additional articles—I will not go into them, but they go through further proof of the fact that in Canada we can continue to protect our social programs.

One of the things everyone should read is the preamble. I will not bother reading it into the record. I think that is going to be done by one of my other honourable members. The preamble clearly states that Canada's ability to take measures to defend the public welfare continues to be Canadian.

We have the programs. We like our programs. We will keep our programs. We also have to pay for them. So, in paying for them through the free trade agreement that is developing, we are going to generate more wealth in this country, not unlike what the auto pact did in 1965 when it came in. It began to open up trade for this country. It opened up manufacturing. This is the kind of future we are going to have, only it will affect all of industry and all of our country.

It reminds me of the fact that in 1964 and 1965, the New Democratic Party was so strongly opposed to the auto pact. They condemned it. Mr. Speaker, you and I were not around in those days. We were probably doing other things—studying, working—but the fact is that at that time the NDP said, "It is the worst thing that could ever happen." Now it is continuing to say that of the free trade agreement. At least, the Liberals in government have not gone that far.

One of the other myths that is very prominent among those who have not understood what is going on—and I do not know how they pick up these myths and biases, whether it is just through the mistruths of people who understand more but do not want to table it all—

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**Mr. Neumann:** How about the myth that it is going to lead to higher foreign investment?

**Mr. Cousens:** I am coming to that one along in here. I will be pleased to answer that question and I trust that the honourable member will be satisfied once he hears that.

But it says some people are concerned that regional development programs are at risk because of the free trade agreement. Under the GATT, subsidies are recognized as legitimate ways to promote regional development, but countries should not use those subsidies which injure other countries. Subsidies are not illegal; only subsidies that cause injury. Under existing US and Canadian law, subsidies are only countervailable by the importing nation if they are not generally available and if the subsidized product materially injures a similar good in the importing country.

So what are we going to do about regional development programs? We will continue to have regional development programs. We will continue, I hope, although this government has done nothing yet to support northern Ontario or eastern Ontario, they can and they should continue to support those regional areas that need the help. We just hope this government will finally get off its tail and get on and do some of the things it should be doing.

Only a fraction of Canadian regional development subsidies have ever been challenged as countervailable in the United States. Only a fraction of these have been found by US authorities to have caused injury to US competitors. Since 1980, no countervailing duty on a regional development subsidy has exceeded one per cent of the export price. The existing threat to US countervail on regional development subsidies is therefore remote and the impact negli-



ble. If a subsidy is found to be injurious, we can continue to subsidize it if we want to, but our exports will be more expensive in the US market. It is our decision.

Another myth that has been prominent among some who are mistaken in their views has to do with Canada's cultural sovereignty being at stake. This is a major point that the Premier made in his speech on November 4 when he said that Canada has to continue to be Canada. No one would argue with him on that. We know that Canada must continue to be strong, but let us just look at what it says in the free trade agreement on our cultural sovereignty.

On page 55, when it is going into some of the other provisions of the pact, it says specifically on Canadian sovereignty: "From the beginning of the negotiations Canadians expressed concern that an agreement might erode the government's capacity to encourage and help Canada's cultural industries, film and video, music and sound recording, publishing, cable transmission and broadcasting, and thus contribute to the development of Canada's unique cultural identity. In order to remove any ambiguity that Canada's unique cultural identity remains untouched by the agreement, nothing in this agreement affects the ability of either party to pursue cultural policies."

"Nothing in this agreement affects the ability of either party to pursue cultural policies." I have talked to so many artists and so many people who are concerned about that very question. It is satisfied, it is stated, it is clear from the very beginning of the negotiations in the free trade agreement that Canada was going to protect and did protect its own cultural identity.

**Mr. D. R. Cooke:** Where is culture defined?

**Mr. Cousens:** I will come to that and I will be pleased to get into that at a later point. I thank the honourable member for asking that question.

Article 2005 specifically indicates that, subject to four limited exceptions, nothing in the agreement affects Canada's ability to pursue cultural policies.

**Hon. Mr. Kwinter:** What are those limited exceptions?

**Mr. Cousens:** The Minister of Industry, Trade and Technology asked what the exceptions are. There are four of them: article 401, article 1607, paragraph 4, article 2006 and article 2007.

**Hon. Mr. Kwinter:** What about 2005, paragraph 2?

**Mr. Cousens:** I am wondering if the minister has read that himself.

**Hon. Mr. Kwinter:** Are you going to read it to me?

**Mr. Cousens:** I do not have it handy right here, but in my notes I was at least able to give the minister that in case he did not know.

**Hon. Mr. Kwinter:** Would you like me to read it to you?

**Mr. Cousens:** The other myth that has been brought forward is that marketing boards are at risk. That is why I thought for sure, when we started talking about the Minister of Agriculture and Food, since he is very likely one of the people in this cabinet who is strongly supporting free trade initiatives because the marketing boards—

[Laughter]

**Mr. Cousens:** Oh, the member laughs. I am concerned that he is laughing, because the agricultural people we are talking to, the people who are coming forward now, are satisfied that the marketing boards, which is an excellent method of supply in this country, will continue to work as they have. They are the envy of other countries. The United States is jealous of the way our marketing boards work.

Would we do anything to destroy them? Not a chance, and they are not jeopardized. They are safe.

**An hon. member:** Baloney.

**Mr. Cousens:** These people say "baloney." I hope the member will come up and give some facts. He should only speak when he is in his seat.

**Mr. Pelissero:** I am doing that right now. Talk to the egg producers, talk to the milk producers, talk to the chicken producers. The marketing boards may be there; there just won't be any farming, that's all.

**Mr. Cousens:** That is the point we are making, and if the honourable member has some points, if he has talked to them and he has their official statement, I would be glad to have his case stated. The fact is, marketing boards are not at risk through the free trade agreement.

**Mr. Breaugh:** Why don't you give him a chance? Why don't you yield and let him make a few remarks?

**Mr. Cousens:** I would yield to the honourable member if he wanted to make a few remarks to that.

Canada retains the right to apply import restrictions on agricultural goods where these are necessary to ensure the operation of a domestic supply management or support program. Article



706 sets out the increases in Canadian global import quotas on chicken, turkey and eggs, increases which merely reflect the average levels of actual imports over the past five years.

Marketing boards will continue to operate. The government of Canada has announced that two-price wheat in Canada will end.

**Mr. Neumann:** What about the food processors?

**Hon. Mr. Ward:** What about the turkeys?

**Mr. Cousens:** What about the turkeys? Now, if there is anyone who knows something about turkeys, it is the Minister of Education.

What we are seeing is continual effort by the government to help consumers, to help farmers, to help Canadians.

Another myth that has come through by so many is that they say, "The free trade agreement guarantees the United States access to Canadian energy supplies and creates a continental energy market."

Interjection.

**Mr. Cousens:** I will read that again, I am sorry. "The free trade agreement guarantees the United States access to Canadian energy supplies and creates a continental energy market."

That is a myth that many have raised. Instead, if these same people would look at article 902, it affirms Canadian and US rights and obligations under the General Agreement on Tariffs and Trade on the legitimate trade restrictions in energy products, i.e., Canada retains its powers to control the flow of Canadian energy exports.

Another article in support of that is article 905. It recognizes the important role played by the National Energy Board in Canada and the Federal Energy Regulatory Commission in monitoring and licensing energy exports.

Annex 905.2 outlines the commitment by Canada to eliminate not one of the three National Energy Board tariff export guidelines. The National Energy Board will continue to assess whether all costs have been recovered and whether the offered price would not be less than the cost to Canadians for equivalent service. The National Energy Board will no longer assess whether the offered price would be materially less than the least-cost alternative for the US buyer. This will now be the subject of negotiation between the negotiating parties.

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Article 907 significantly limits the ability of the United States to restrict Canadian imports on the grounds of national security. This is a very important point in light of US protectionist

demands to block Canadian uranium and electricity exports.

Article 904 defines the obligations of the United States and Canada to reduce energy exports on a proportional basis when such exports are restricted for reason of short supply, conservation or domestic price stabilization. We have control over our national energy, over all our products, as we had it before the free trade agreement.

I think it is most important that members understand what article 908 does for us. It states that Canada's long-time obligation under the agreement on an international energy program to increase oil exports during a period of short supply takes precedence over any provisions that serve United States markets. In other words, we continue to look after our own needs first.

The free trade agreement allows for wide-open investment in Canada. This is something some people are very afraid of. They are saying: "It is just going to open up investment in Canada. We will not own anything any more." Let us just look at what Canada's rights are under that clause, and I will be pleased to share it with members.

Article 1602 and article 1607 outline Canada's right to review significant direct acquisition proposals. Seventy-five per cent of the assets that are currently reviewable by Investment Canada will remain reviewable after the transition period.

Article 1603 recognizes Canada's continuing right to negotiate product mandate, research and development and technology transfer requirements with prospective investors. In other words, things will continue to happen where we control what is going on within our country. It is stated in that article.

Article 1607, another article in the agreement, grandfathers all existing foreign investment restrictions in such areas as communications, transportation, energy and cultural industries.

We are concerned about Canada being wide open to foreign investment. Article 1602 recognizes the ability of the competition tribunal to review anticompetitive mergers and acquisitions.

There was some concern a short time ago about Ontario's trucking industry being destroyed by the free trade agreement. The fact is, the services annex does not include transportation services. I think that is an important point. There was a lobby from the US and from Canada. I met with several truckers who were concerned about what would happen in Ontario in the trucking industry with the change in regulations



under free trade as it was in the initial proposal. There was a strong lobby. The lobby made its point very clear, that they were concerned that the trucking industry as we know it in Ontario and Canada could be affected by that inclusion of the trucking industry in the free trade agreement. In the final draft, the trucking industry has been removed. As contentious an issue as it was, it has been removed. Over a period of time, Canadians might well develop a fresh and new approach to this issue and it could be something that I am sure could be opened up in future negotiations.

Another myth that is very prominent, which maybe members have been thinking about and want to raise, is that free trade in apparel and textiles will wipe out the Canadian industry. Begin by asking, "Who is afraid of whom?" In fact, American interests greatly fear our highly competitive clothing manufacturers. These concerns have caused the Americans to demand a ceiling on export growth potential of Canadian apparel made from third-country fabrics. A quota on such Canadian apparel exports has been set at a level six times above current trade levels, allowing Canadian apparel manufacturers to continue to increase their exports while limiting American fears that Canadian imports will wipe out the US industry. A similar quota has been set for Canadian textiles with foreign yarn.

Another point that I would like to make—

**Hon. Mr. Kwinter:** Canadian penetration in the apparel industry is one tenth of one per cent. How are they we going to wipe them out?

**Mr. Cousens:** It is a myth, and the member is probably the perpetrator of the myths; although he does not speak up in the House, he just yells along and makes his points.

Another myth that is prevalent in the minds of many people is that Canada should depend on multilateral negotiations in the GATT, not bilateral free trade arrangements with the United States. What we have got to put into perspective is that GATT will continue to operate. We will continue to have a relationship with other countries, but what we are now doing in having a special arrangement with the United States. It clearly states within the free trade agreement that nothing in this agreement takes away our commitment to multilateral trading opportunities with other countries.

Chapter 1 in fact sets out that the free trade agreement is consistent with GATT article XXIV. Page 13 points out just that. A lot of people concern themselves with what is going to happen with GATT. Chapter 1 begins with a declaration that the agreement is consistent with

that article in GATT, the article which provides the framework in international law for negotiating free trade agreements.

It sets out a legal statement of the basic principle underlying the agreement as a whole. Canada and the United States will treat each other's goods, services, investment suppliers and investors as they treat their own in so far as the matters covered by this agreement are concerned. The members opposite should set their worries loose. They are not needed and they are not applicable. The agreement does not put us in a position where we cannot continue to trade with other countries. We can, in other words, continue to do as we have.

Part 2 of the free trade agreement builds on previous commitments made in the GATT. Various GATT codes and standards, procurements, subsidies, etc.; and the auto pact, the existing harmonized commodity description and quota systems—these continue to exist. Both countries continue to retain their existing GATT rights and obligations unless otherwise stated. I have gone through to find out where it is otherwise stated, and I cannot find it. But the sense and the spirit of the agreement is that we are protected and we are not in violation of GATT.

Chapter 5 of the agreement incorporates the fundamental national treatment obligation of GATT into the free trade agreement. In various sectors—for example, agriculture, procurement and trade-related investment measures—both our country and the United States have agreed to work towards multilateral liberalization in the coming round of GATT negotiations. It is an evolution that will continue to open up trade opportunities for our country and the United States and, as I said earlier, with other countries as well.

I am concerned, and I do not think I have heard the Minister of Industry, Trade and Technology say this, but the general feeling by many is that the auto pact is gutted.

**Hon. Mr. Kwinter:** I have said it.

**Mr. Cousens:** He has said that.

The feeling I am getting is that the auto pact is untouched. The production safeguards remain, as do tariffs on third-country imports, creating a \$300-million-a-year incentive for companies like General Motors, Chrysler and Ford to exceed minimum production levels in Canada. Chapter 4 of the free trade agreement secures duty-free access for Canadian products into the US market. Annex 301.2 makes it possible for Asian producers to export Canadian assembled cars duty-free into the United States if they meet a



strict 50 per cent North American content standard.

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Chapter 10 of the agreement recognizes Canada's obligation to honour its commitments to Asian car makers locating in Canada. Article 1003 provides for free trade in used vehicles by 1993; another benefit for consumers, who will be able to purchase American used cars. I would not mind having an American used car, because I could probably buy it cheaper than some of the cars I am able to buy here.

**Mr. D. S. Cooke:** That's called gutting the auto pact, isn't it?

**Mr. Cousens:** I am coming to the point, and I am trying to make the point, that the auto pact is not gutted. The fact that consumers are going to benefit seems to be a hindrance to the member, and that is not right. I think consumers have to benefit in this country. We have to fight for the consumers—

**Mr. D. S. Cooke:** You have not come to any point yet.

**Mr. Cousens:** The member is not fighting for them. All he can do is sit down there and, like a blind sheep, follow—

**An hon. member:** Follow what?

**Mr. Cousens:** The leader.

**The Acting Speaker (Miss Roberts):** Order. I would ask the honourable members on both sides to direct their comments through the Speaker and to allow the honourable member who has the floor to complete his comments.

**Mr. Cousens:** The government of Canada has announced—I have the wrong page.

**An hon. member:** We didn't notice.

**Mr. Cousens:** I had a point that I tried to make. This is the problem when there is such interest in the debate. It is important that we continue to touch on key points.

I have tried to illustrate that a number of myths have been perpetrated, indeed by the Minister of Industry, Trade and Technology, who was saying the auto pact is gutted. The fact of the matter is we have it; it is intact; we can continue to benefit from it.

I am concerned that many people do not understand that the free trade agreement has a basis that goes far deeper than just an announcement that was made, as indicated in the different steps that were passed through. Take the different steps that have led up to today: October 3, 1987, President Reagan sent his notice; October 4, elements of the agreement signed by

Canadian and US negotiators; December 10, legal text; December 11, tabling in the House; and then as they proceed.

It goes far back into history during the last several years with some of the strategic decisions that were made by the federal government, which established the groundwork for a good process, so that out of this process we can develop a trade agreement with the United States that truly understands the needs of Canadian interests of a widely varied nature.

There was an interesting communiqué that came from the Department of External Affairs on September 19, 1985, when the Honourable James Kelleher, Minister for International Trade, announced the appointment of Walter Light, chairman of the executive committee of Northern Telecom, as chairman of a newly created private-sector International Trade Advisory Committee. The principal role of this trade advisory committee was to provide a two-way information flow between the government and the private sector on multilateral and bilateral trade policy issues.

In other words, at the very beginning, before any major appointments, the most significant thing was the establishment of a bridge with private industry so that the government in Ottawa could begin to know what the interest would be all across this great country of ours. In fact, in announcing Mr. Light's appointment, Mr. Kelleher stated, "The decision to establish a trade advisory committee responds to the wish of the business community and others to have a more formal mechanism for regular consultation on trade matters with the government."

That consultation has been going on for the last two years. In fact, the member for Cochrane South (Mr. Pope) was commenting that there had been some 18 meetings that our own Ministry of Industry, Trade and Technology had been involved with. There is just no doubt that the government wants to ignore the fact that it has been involved. They are trying to ignore the truth. They are trying to come along and make statements without having to admit that they have been part of the process where the federal government has solicited and sought their input. "The establishment of this consultative process will meet our urgent need to prepare for the trade development and negotiation challenges that lie ahead."

So began networking, an important term in any kind of process, so that you are not just having one spokesman who is not tied into the rest of the country and the rest of the business



interests, the rest of government and all the other groups.

That was started right at the beginning in the establishment of a trade advisory committee and the appointment of Walter F. Light. The trade advisory committee consisted of 25 to 30 people, experienced and knowledgeable in trade matters—and it went on to describe just who those people were.

**Mr. D. R. Cooke:** What did they get paid a day? What did Walter Light get?

**Mr. Cousens:** No pay. Let me go on and answer. The honourable member is asking some good questions. The Minister for International Trade announced the makeup of the International Trade Advisory Committee, ITAC, part of the private-sector advisory committee system set up by the then minister, Mr. Kelleher, to advise the government on international trade access and marketing issues.

Thirty-nine prominent members of the business community, coming from labour, consumer areas and academic, research and cultural communities, were appointed to ITAC. They represented all regions of the country. They were experienced and knowledgeable in trade matters. This was the beginning of consolidating a viewpoint, gathering a consensus of what this country had to say about free trade.

Mr. Kelleher announced that this group—

**Mr. Wildman:** Everybody on the committee was from Schefferville.

**Mr. Cousens:** I do not know if there was someone from Schefferville, but just in response to that comment, I think it is really important for us to know that Mr. Reisman was not the only person working for Canada in the trade negotiations. Behind him was a trade advisory committee that was there developing and thinking through the different options, the different possibilities, trying to say: "OK, if you do this, it's good. If you do that, it's bad."

Look at the people who made up that committee. They included people from the National Bank of Canada, from Telemedia Communications, from Bombardier, from Celanese, from Alcan, from Steinberg's, from the C. D. Howe Institute, from Diagnostic Canada. They included Mr. Fleck of Fleck Manufacturing, Ogilvie, the SNC Group, the Consumers' Association of Canada, Sally Hall.

It included the British Columbia Resources Investment Corp., the Lundrigan Group, Algoma Steel Corp., TransCanada PipeLines, Leon's, the Canadian Federation of Labour, BC Bearing Engineers Ltd., National Sea Products

Ltd., Dupont, London Life, Maclean Hunter, Primo Foods, Prendiville Sawmills in Winnipeg, CAE Industries in Toronto, James Richardson and Sons in Winnipeg, Alan Rugman—whom I quoted earlier, from the University of Toronto now—T. S. Simms and Co. Ltd., Domtar, Atco, Magna International, Saskatchewan Wheat Pool, University of Calgary, Lise Watier Cosmetics Inc., Redpath's.

When the International Trade Advisory Committee was formed, we then began to have one group in the country thinking and worrying and considering all the impact that could affect this country through the establishment of a new trade agreement with the United States. At that point, the Minister of International Trade in February 3, 1986, announced the formation of sectoral advisory groups, which are known as SAGITs. A SAGIT is a sectoral advisory group on international trade.

The fact is that 14 sectoral advisory groups on international trade were established back in February 1986 to complement the work that was being done by the international trade advisory committee, chaired by Walter Light. In announcing the SAGITs, Mr. Kelleher on February 3, 1986, said, "These groups will be extremely important to the government in providing a sectoral viewpoint on all trade matters and in particular on upcoming trade negotiations."

Mr. Kelleher indicated that this structure is not cast in stone. He expected there would be some changes made to it and more people would be added. What he has now established is that he has two groups, an overall group that is reviewing the whole of the international trade, and then these sectoral advisory groups which are going to be in a position to review in specific detail information that pertains to different industries.

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The international trade advisory structure has a two-way flow of information. It has the opportunity for government to feed back into industry and the opportunity for industry to feed up into government. These groups were established to advise the government on Canadian objectives, Canadian priorities and strategies for international, multinational and bilateral trade policy issues. The other component was that these groups would meet on a regular basis. They would share information. There would be no surprises.

These sectoral advisory groups on international trade really fell into place in an excellent way. The Minister of International Trade, James Kelleher, on April 25 announced the appointment of the chairmen and chair people of these



different advisory groups on international trade. Let me quote from his April 25 communiqué: "The SAGITs will be extremely important to the government in providing a sectoral viewpoint. These chairpersons are all experienced business people. I am grateful that they have accepted the responsibility to advise and inform the government in all trade matters."

If only this government would do something similar to establish some kind of communications link with the real world. Since September 10 it has come in here and just forgotten to listen. The rest of the world has a lot of concerns out there. There are many examples, but I will not steer off subject because I realize these people do not want to hear about the housing promises they have broken, the education promises they have broken. They do not consult, they just tell.

The federal government, in establishing these SAGITs and these review groups, was trying to listen. They were set up to listen so that those who had concerns had a way of contributing their view and of being listened to.

The members were appointed by the minister and they covered a wide range of subjects. The 14 different sectoral advisory groups included the subject of agriculture, food and beverage. I will not read down the names of all the members of each of the SAGITs, just the chairmen and their secretaries.

I would like to let members know what those SAGITs were. We had agriculture, food and beverage with Dr. Benoit Levine from Montreal. We had one for fish and fish products, with Victor Young of Fishery Products International Ltd. in St. John's, Newfoundland. We had another SAGIT for minerals and metals, with Dr. Bill James of Falconbridge.

Full stop. These people were contributing their—

**Mr. Wildman:** Bill James?

**Mr. Cousens:** We have the member for Algoma awake at last. He was involved in this process and it automatically makes him excited.

We had another SAGIT for energy products and services, with Robert Pierce, president of NOVA, An Alberta Corporation, in Calgary. We had another SAGIT on chemicals and petrochemicals, with Firman Bentley of Polysar Ltd. in Sarnia. Another SAGIT for forest products, with Raymond Smith, president and chief executive officer of MacMillan Bloedel Ltd. We had another one for industrial marine and rail equipment, with Guy Champagne of Exeltor Inc. in Bedford, Quebec. There was another one for automotive and aerospace, with Jack Ripley of

Allied-Signal Canada Inc. in Mississauga; another one for textiles, footwear and leather, with Sandy Archibald of Britex Ltd. in Bridgetown, Nova Scotia; another one for apparel and fur, Peter Nygard, chairman of Nygard International in Winnipeg.

What the government was doing through the establishment of these advisory committees was listening and learning. It meant that when we were into negotiations with the United States, we were going in prepared. We were armed, we were ready, and there was not a sense of just coming in at the last minute with a quick bill such as the one we are debating right now, that does not even make an awful lot of sense when you consider what is going on. The government had deliberated and considered what was involved in this long in advance. It knew the ramifications of free trade. It knew what was involved with free trade and what was involved with multilateral trade.

I forget where I left off. Maybe I will have to start at the beginning. I think I left off with consumer and household products.

**Mr. Harris:** That is exactly the part I want to hear.

**Mr. Cousens:** The member is a good consumer.

**An hon. member:** A progressive consumer.

**Mr. Cousens:** For communications, computer equipment and services, Alex Curran, who is chairman, president and chief executive officer of SED Systems Inc., Saskatoon. There is another SAGIT on financial services, headed by Mrs. Jallyn Bennett. There is another one on general services, headed by Dr. Gail Cook of Bennecon Ltd. in Toronto. There was another one on arts and cultural industries.

What happened here is that these people gave of their time and their energy, their experience and their background to help our federal government develop a context for freer trade negotiations, and through drawing from all the groups that made up each of these SAGITS, they were able to report through to Walter Light's group and then allow an assimilation of ideas. That is why this project has taken so long. That is why the free trade agreement that we have here today is not just one last-minute, quick-issue copy. This should be something that we respect as a basis of the future of this country. It comes through the evolution of much talk and much discussion, much dialogue of those who have been involved with it. I am glad that you have a copy.



**Mr. Breagh:** The problem is, it reads like the Life of Brian.

**Mr. Cousens:** I am dealing with the synopsis and I am glad the other honourable member has another issue.

**Mr. Harris:** They obviously want you to go through the full agreement, not just the abbreviated version.

**Mr. Cousens:** I am leading to it, I hope to. I really do, because if the process is correct, when the government established the whole idea of reopening a free trade agreement with the United States, before it entered into that it wanted to make sure it knew how to do it, what it wanted, what was going to be on the table, how to handle it. There is nothing worse than being in negotiation and have surprises come up; so you have to come in to those negotiations informed, educated, prepared.

What I am trying to tell this House is that the federal government went into the negotiations armed and prepared with the facts. They had the best interest of our country at heart, they knew what they were talking about because they had involved the grass roots of this country in developing the grass roots. It goes right through to all the companies. I think what we want to do is start looking at the ingredients of those. They are representative of the people of Canada. They know the best interests and they were prepared to give of that time and that effort to see that it happened.

There was a heavy involvement up front by the federal government in establishing a free trade agreement. It was not something where you just had a few bureaucrats developing a few new guidelines, as you see with the Liberal promises in this province, without any fact or foundation. I will not get diverted, but I would like to—the 102,000 homes by 1989, affordable housing for the province; it was just drawn out of the sky and now when we try to ask the Minister of Housing (Ms. Hošek)—

**Mr. Reycraft:** Order, order.

**Mr. Cousens:** This ties in with what I am saying. We asked the Minister of Housing, “Where did you get the 102,000, where are they going to go? What are you going to do with them? What are you plans?” She does not know, she never knew and she does not know now. I am saying when you ask questions about the free trade agreement, the federal government knows what it is talking about. They have done their homework, they have done some work ahead of time, and it is not a myth you are dealing with,

not like some of the scary things this government does.

The problem we have is that the country is not aware of the investment up front, of the time and the effort of so many people in these SAGITs and in these advisory groups for the federal government. You have a pyramid—it comes this way down.

**Hon. Mr. Elston:** Why would he not go with Michael Wilson?

**Mr. Cousens:** There are some good heckles coming. I think we would have better heckles if we were at home, doing what we should be doing. We should not be here right now, because the government really made a terrible mistake in presenting this motion and expecting this House to approve this resolution without any debate. This is probably the single most important debate that will take place in this parliament. It affects every Canadian. Every one of us, who cares about Canada, has to be prepared to stand up and be counted.

I am very pleased to see the Minister of Agriculture and Food drag himself in. We were looking for him earlier.

The point I am trying to make is that the Toronto Star and the media have not given any credibility to the background work that was done by the federal government in preparing for the free trade agreement.

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**Mr. D. R. Cooke:** It doesn't have any credibility.

**Mr. Cousens:** The Star does not?

**Mr. D. R. Cooke:** No, the draft doesn't.

**Mr. Cousens:** I thought he said the Star does not and I thought that, coming from a red tie, there was really some hope.

What we are really starting to face up to is the fact that many, many people became involved in the whole of the free trade discussion.

**Mr. Wildman:** You are dealing so much with the process instead of the nub of the agreement.

**Mr. Cousens:** I am coming to that, but unless the process is correct—

Interjections.

**Mr. Cousens:** In fact, I might go on into tomorrow. I did not realize how interested some members are in what I am saying, and it really means it is important to follow it through.

During the last two years there have been many, many studies on the effects of free trade on Canada.



**Mr. D. R. Cooke:** Most of them by Ontario; we did most of them.

**Mr. Cousens:** Those studies confirm what I am saying here today, that in fact these trade negotiations, when successful, can be excellent for what Canada is all about. I would like to comment on some of the studies that have been done and on some of the comments that they made with regard to what they believed free trade would do for Canada.

One of the reports was done by the Department of External Affairs in August 1985. It contains preliminary results from the research program undertaken in the summer of 1985 on the economic implications of an enhanced trade agreement between Canada and the United States. It is based on two separate studies, one by Informetrica and the other by the department, using the University of Maryland's inform model.

**Mr. D. R. Cooke:** That's on the comprehensive deal, but that's not the deal we got.

**Mr. Cousens:** What they did is look at seven alternative trade liberalization cases, and they were selected for comparison with the base case. Case 4, assumed to be the most likely, combined tariff and nontariff barrier elimination with the productivity increase. The results of that case are as follows:

"The real gross national product in Canada is, on average, about 1.7 per cent higher per year than in the base case by having free trade. Canada's real net exports increase because of free trade. The consumer price index is lower than the base case in every year of the period." In other words, the consumers are going to benefit because of free trade.

"Employment gains are evident from the outset, reflecting an increase in industry output."

They are indicating from this study—and I realize that becomes the problem of many Canadians in trying to understand the figures and the numbers and what is going on—that by 1994, overall employment is going to be running more than 100,000 above the base case.

**Hon. Mr. Riddell:** Let it be noted that the Tories are prepared to see the farmers go down the tube; 50-cent turkeys means farmers will go down the tube. The remarks that are being made about the agriculture industry in this province are nonsense.

**The Deputy Speaker:** Order. Point of order?

**Mr. Harris:** I do have a point of order that I would—

**Hon. Mr. Riddell:** Fifty cent turkeys means the farmers go down the tube, if the Tories support agriculture the way they do.

**The Deputy Speaker:** Order.

**Mr. Harris:** The Minister of Agriculture and Food appears to want to enter into the debate, yet he was not here yesterday when we wanted debate from him; and the chairman of the standing committee on finance and economic affairs, who has been interjecting repeatedly, appears to want to enter in the debate. I am surprised, because being mouthy and stupid has not got him very far with this government in the last two years, but he still does it.

**Hon. Mr. Riddell:** Is this a point of order?

**The Deputy Speaker:** Order. I thank the member for the opinion. Does he have a point of order?

**Mr. Wildman:** On a point of order, Mr. Speaker: I think the member is being unfair to the Minister of Agriculture and Food. Somebody has to speak for the turkeys, especially at this season.

**The Deputy Speaker:** The member for Markham.

**Mr. Cousens:** Thank you, Mr. Speaker. The point I am trying to make is that the process followed by the federal government leading to the free trade agreement that we are debating in this House now, the preparation that has gone into it, was not by just a few people. There have been reports, there have been studies, there has been analysis, there has been a gathering of all the facts and all the information that can possibly be gleaned so that we in this country are able to put together the most effective trading arrangement possible between our country and the United States of America.

Before any decisions were made and tabled in the agreement that Mr. Reisman and Mr. Murphy were making, you have to look at some of those studies that gave them reason to believe they were doing the right thing.

One of the reports that I have had a chance to review in part is the automotive agreement in a Canada-United States comprehensive trade arrangement. This was something prepared by Gray, Clark, Shea and Associates Ltd. in November 1985. This is a paper that looked at the options of the automotive agreement and the likely effect it would have.

The highlights of that report are these. It says, "Substantial structural changes in the production techniques employed by the North American automotive companies will occur as they adjust to new competition which will determine produc-



tion, location of vehicle assembly and parts plants and employment levels. The North American automotive companies will experience a declining share of the automotive market, which will bring further pressure on decisions relating to the shared production objectives of the automotive agreement."

I do not think there is any doubt that if Canada had tried to negotiate the auto pact by itself it would never have come through this with the kind of success it has now, which continues to protect the auto pact.

Another study that was done was on investment responses by multinational enterprises to three Canadian policy options for Canada-US trade. It was done by Derek Chisholm at the Institute for Research on Public Policy. This policy examined probable changes in foreign direct investment within Canada by multinational enterprises. The examination sought answers to the three questions about the multinational enterprises' responses to reductions in trade barriers.

"The fact is that the level of foreign control over domestic industries will change significantly. The level of foreign control"—and this is one of the highlights of that report—"over domestic industries could initially diminish during the medium term after trade barriers are reduced. But over a longer horizon, technically advanced foreign investment and foreign control could increase. The form of foreign control could alter, as multinational enterprises respond to reduced trade barriers with corporate strategies that integrate Canadian subsidiaries by rationalization or rural product mandates."

There are many lessons to be learned and one that I would like to share with the House is something that comes from the European experience. Before the Canadians developed their own approach the Europeans did that, and one of the studies that was done was by A. W. A. Lane in October 1985. His study was entitled *Economic Integration: Some Aspects of the European Experience*. His paper looked at the features of the movement towards economic integration in Europe. It concluded with some comments on the implications of a comprehensive trade agreement with the United States. I would like to share some of those highlights with you.

First of all: "Permanent dismantling of tariffs can provide a stimulus to industrial restructuring which increases efficiency and competitiveness." That is something that is implicit to this whole trade agreement. We want to be able to restructure our business. We want to see our

manufacturers go ahead with a sense of confidence as they retool, as they rebuild, as they seek to go and expand their markets into other areas of the world. In so doing, the dismantling of tariffs does provide a stimulus for industrial restructuring. That happened in the European common market; it can happen again here in Canada.

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Another point made in that same study is that where there is integration between highly developed countries which have a broad range of secondary industries, intra-industry specialization tends to predominate. What we are really talking about there is the development of niches. When Canadians get into the world of computers and communications, we have already established through Northern Telecom an expertise that is the envy of the world and we can take that expertise into the United States as Northern Telecom already has done and expand and build upon it. This is an example of a Canadian enterprise that has been able to do it through skill, through intelligence—

**Mr. Wildman:** Without a free trade agreement.

**Mr. Cousens:** —and without a free trade agreement. The fact is we can have the same kind of illustrations with other products and other industries, with free trade.

Another illustration that comes from that same study of the European common market experience is the way in which state aids are treated in a Canada-US trading arrangement, that could have an important bearing on its regional impact. The Treaty of Rome took a particularly tolerant attitude towards measures of this kind. I think what we are trying to say is that—

**Mr. Wildman:** Ronald Reagan was not negotiating the Rome treaty.

**Mr. Speaker:** Order.

**Mr. Cousens:** Well, Ronald Reagan did other things. I would like to share one other quote that comes from one of the studies that were done on this. This study was done on the economic effects of trade liberalization with the United States, having to do with "Evidence and Questions," by Moraz and Meredith, the Institute for Research on Public Policy. This was prepared in September 1985. The main conclusion of this paper suggested that "bilateral trade liberalization could be expected to provide large, long-run economic benefits to Canada."

The overwhelming evidence of these reports, and I could read more of them, and I really—



**Mr. Wildman:** I doubt it.

**Mr. Cousens:** I could. I think they are there to be tabled. The fact is that the federal government was able to base its considerations in the development of a free trade agreement not just on a few ideas or a few people; it had its fingers out into the world of business through the—

**An hon. member:** They have their fingers out in a lot of worlds these days.

**Mr. Cousens:** They have them in the member's pockets too, I will tell him. There is so much money in there jingling, for Christmas; if only he could get out and spend it rather than sitting here for this debate.

The development of the whole trade context and the development of the arguments that allowed us to go into the free trade discussions meant that we went in prepared, armed, ready to do business. The intention behind the free trade discussions from the very beginning was to do the best thing for Canada. By involving all of these people in these deliberations and in gathering that information, we knew that could happen and it did happen.

I would like to go further and discuss some of the concerns, why the free trade agreement has significant impact for all of us. It has to do with why we wanted to do it in the first place. There are 10 reasons why the free trade agreement is important. Not only does it provide more jobs, not only does it provide for higher growth and not only does it provide for lower prices—these things are implicit in the whole free trade agreement—but there are a number of reasons why it is so essential that we have it. First of all, to strengthen Canada by preserving jobs and creating new jobs in all regions of the country. In reading the reports of the Economic Council of Canada and in seeing what private sector advisers are saying, I have no doubt this is going to happen. We are going to preserve jobs in Canada. We are going to create new jobs.

The second benefit, which is really important and imperative to any kind of trade agreement, is that we lower consumer prices when we go to buy a house, furniture, an appliance or clothes; there are going to be benefits to it. That is the second reason this arrangement and this agreement is important.

The third reason it is essential is that the free trade agreement will encourage more job-creating investment in Canada. In the last decade, Canadian investment in the United States has grown at a rate three times higher than US investment in Canada. Now what we want to

do is see more job creation investment in this country and in this province.

The fourth point why free trade is important is to increase our national wealth and our ability to finance social programs. I want to see us continue to expand our programs for seniors and for young people. I want the Minister of Education to spend money on schools in York region and Peel and Durham and where they are needed, but it cannot be done if the money is not there. This free trade arrangement will give us that opportunity to have more money in the coffers in Canada, because there is going to be more action in the first place.

The fifth reason is that the free trade agreement will increase export of manufactured goods, not just natural resources. What we want to do is sell not just fish but fish sticks, not just wood but furniture and not just gas but petrochemicals. We want to be able to refine our goods. We want to be able to sell finished goods. We want to be into a secondary manufacturing environment. With this agreement we should be able to generate far more manufacturing, far more growth and far more incentive for Canadians to invest in Canada, for Canadians to want to invest in this country.

The sixth point why this free trade agreement is important is that it increases our energy security. There will be more development of energy resources in this country. There will be a greater supply of energy resources and we will have greater security of our energy resources.

The seventh point is that this free trade agreement will restore fairness and the rule of law in Canadian and American commercial relations. There is no way we can control countervailing and tariff laws in the United States right now. This agreement will make that possible. We will begin to have fair trade as well as free trade between Canada and the United States.

My eighth point on why this free trade agreement is so important is that it will strengthen Canada's negotiating position in global negotiations. I believe that when this agreement is approved and becomes a fact, it is going to open up our trade further in other countries—into Europe, into Asia and into Third World countries. We want to trade. We know the importance of trade. With this agreement, we know we can begin that process and be far more effective than we have been in the past.

The ninth point is that this agreement will help Canada to be safe from some of the sideswipe actions that are possible in the United States.



What happens right now is that in Congress there are acts before the house that could apply to Canada and that are worrisome to all of us. What we want to see happen is that this kind of countervailing action, that imposes a special hardship on us when it is really meant for other countries, will not happen in the future. I believe the free trade agreement will help protect Canadians from being sideswiped by US decisions in their own Congress and Senate that otherwise could impact us in a very negative way.

My tenth point on why it is important is that the free trade agreement will enshrine in both our countries an opportunity that neither country will inflict self-inflicted wounds in a trade war. We do not need any more of these conflicts over softwood lumber or potash. We need to see our future develop with a sense of being able to say, "We have an agreement that means something." We know we are on that road.

We have come a long way, and indeed there is still a long way to go. The one big decision that can still be made by this government is to retract

this bill—this resolution, it is not a bill. They can take it away, put it aside—they do not even have to rip it up because it is now printed in thousands of copies of Hansard—and come back with what they originally agreed to do. That was to have a resolution that would be debated and then sent off to committee. They are not doing that. What they have done is to bring forward this bill that says everything—

**Mr. Speaker:** Order. Perhaps the honourable member would—

**Mr. Cousens:** I am just getting warmed up, Mr. Speaker. I move the adjournment of the debate.

**Mr. Speaker:** Mr. Cousens has moved the adjournment of the debate.

All those in favour will say "aye."

All those opposed will say "nay."

In my opinion the ayes have it.

Motion agreed to.

The House adjourned at 6:01 p.m.



**ALPHABETICAL LIST OF MEMBERS\***  
(130 seats)

First Session, 34th Parliament

**Lieutenant Governor: Hon. Lincoln M. Alexander, PC, QC**

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- |   |  |
|---|--|
| <p>Adams, Peter (Peterborough L)<br/>           Allen, Richard (Hamilton West NDP)<br/>           Ballinger, William G. (Durham-York L)<br/>           Beer, Charles (York North L)<br/>           Black, Kenneth H. (Muskoka-Georgian Bay L)<br/>           Bossy, Maurice L. (Chatham-Kent L)<br/> <b>Bradley, Hon. James J.</b>, Minister of the Environment (St. Catharines L)<br/>           Brandt, Andrew S. (Sarnia PC)<br/>           Breaugh, Michael J. (Oshawa NDP)<br/>           Brown, Michael A. (Algoma-Manitoulin L)<br/>           Bryden, Marion (Beaches-Woodbine NDP)<br/>           Callahan, Robert V. (Brampton South L)<br/>           Campbell, Sterling (Sudbury L)<br/> <b>Caplan, Hon. Elinor</b>, Minister of Health (Oriole L)<br/>           Carrothers, Douglas A. (Oakville South L)<br/>           Charlton, Brian A. (Hamilton Mountain NDP)<br/>           Chiarelli, Robert (Ottawa West L)<br/>           Cleary, John C. (Cornwall L)<br/>           Collins, Shirley (Wentworth East L)<br/> <b>Conway, Hon. Sean G.</b>, Minister of Mines (Renfrew North L)<br/>           Cooke, David R. (Kitchener L)<br/>           Cooke, David S. (Windsor-Riverside NDP)<br/>           Cordiano, Joseph (Lawrence L)<br/>           Cousens, W. Donald (Markham PC)<br/>           Cureatz, Sam L. (Durham East PC)<br/> <b>Curling, Hon. Alvin</b>, Minister of Skills Development (Scarborough North L)<br/>           Daigeler, Hans (Nepean L)<br/>           Dietsch, Michael M. (St. Catharines-Brock L)<br/> <b>Eakins, Hon. John F.</b>, Minister of Municipal Affairs (Victoria-Haliburton L)<br/> <b>Edighoffer, Hon. Hugh A.</b>, Speaker (Perth L)<br/>           Elliot, R. Walter (Halton North L)<br/> <b>Elston, Hon. Murray J.</b>, Chairman of the Management Board of Cabinet (Bruce L)<br/>           Epp, Herbert A. (Waterloo North L)<br/>           Eves, Ernie L. (Parry Sound PC)<br/>           Farnan, Michael (Cambridge NDP)<br/>           Faubert, Frank (Scarborough-Ellesmere L)<br/>           Fawcett, Joan M. (Northumberland L)<br/>           Ferraro, Rick E. (Guelph L)<br/>           Fleet, David (High Park-Swansea L)<br/> <b>Fontaine, Hon. René</b>, Minister of Northern Development (Cochrane North L)</p> | <p><b>Fulton, Hon. Ed</b>, Minister of Transportation (Scarborough East L)<br/>           Furlong, Allan W. (Durham Centre L)<br/> <b>Grandmaitre, Hon. Bernard C.</b>, Minister of Revenue (Ottawa East L)<br/>           Grier, Ruth A. (Etobicoke-Lakeshore NDP)<br/>           Haggerty, Ray (Niagara South L)<br/>           Hampton, Howard (Rainy River NDP)<br/>           Harris, Michael D. (Nipissing PC)<br/>           Hart, Christine E. (York East L)<br/>           Henderson, D. James (Etobicoke-Humber L)<br/> <b>Hošek, Hon. Chaviva</b>, Minister of Housing (Oakwood L)<br/>           Jackson, Cameron (Burlington South PC)<br/>           Johnson, Jack (Wellington PC)<br/>           Johnston, Richard F. (Scarborough West NDP)<br/>           Kanter, Ron (St. Andrew-St. Patrick L)<br/> <b>Kerrio, Hon. Vincent G.</b>, Minister of Natural Resources (Niagara Falls L)<br/>           Keyes, Kenneth A. (Kingston and The Islands L)<br/>           Kozyra, Taras B. (Port Arthur L)<br/> <b>Kwinter, Hon. Monte</b>, Minister of Industry, Trade and Technology (Wilson Heights L)<br/>           Laughren, Floyd (Nickel Belt NDP)<br/>           LeBourdais, Linda (Etobicoke West L)<br/>           Leone, Laureano (Downsview L)<br/>           Lipsett, Ron (Grey L)<br/>           Lupusella, Tony (Dovercourt L)<br/>           MacDonald, Keith (Prince Edward-Lennox L)<br/>           Mackenzie, Bob (Hamilton East NDP)<br/>           Mahoney, Steven W. (Mississauga West L)<br/> <b>Mancini, Hon. Remo</b>, Minister without Portfolio (Essex South L)<br/>           Marland, Margaret (Mississauga South PC)<br/>           Martel, Shelley (Sudbury East NDP)<br/>           Matrundola, Gino (Willowdale L)<br/>           McCague, George R. (Simcoe West PC)<br/>           McClelland, Carman (Brampton North L)<br/>           McGuigan, James F. (Essex-Kent L)<br/>           McGuinty, Dalton J. (Ottawa South L)<br/>           McLean, Allan K. (Simcoe East PC)<br/> <b>McLeod, Hon. Lyn</b>, Minister of Colleges and Universities (Fort William L)<br/>           Miclash, Frank (Kenora L)<br/>           Miller, Gordon I. (Norfolk L)<br/>           Morin, Gilles E. (Carleton East L)<br/>           Morin-Strom, Karl E. (Sault Ste. Marie NDP)</p> |
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**Munro, Hon. Lily O.**, Minister of Culture and Communications (Hamilton Centre L)  
 Neumann, David E. (Brantford L)  
 Nicholas, Cindy (Scarborough Centre L)  
 Nixon, J. Bradford (York Mills L)  
**Nixon, Hon. Robert F.**, Deputy Premier, Treasurer of Ontario and Minister of Economics and Minister of Financial Institutions (Brant-Haldimand L)  
 Offer, Steven (Mississauga North L)  
**O'Neil, Hon. Hugh P.**, Minister of Tourism and Recreation (Quinte L)  
 O'Neill, Yvonne (Ottawa-Rideau L)  
 Owen, Bruce (Simcoe Centre L)  
**Patten, Hon. Richard**, Minister of Government Services (Ottawa Centre L)  
 Pelissero, Harry E. (Lincoln L)  
**Peterson, Hon. David R.**, Premier and President of the Council and Minister of Intergovernmental Affairs (London Centre L)  
 Philip, Ed (Etobicoke-Rexdale NDP)  
**Phillips, Hon. Gerry**, Minister of Citizenship (Scarborough-Agincourt L)  
 Poirier, Jean, Deputy Speaker and Chairman of the Committees of the Whole House (Prescott and Russell L)  
 Pollock, Jim (Hastings-Peterborough PC)  
 Polsinelli, Claudio (Yorkview L)  
 Poole, Dianne (Eglinton L)  
 Pope, Alan W. (Cochrane South PC)  
 Pouliot, Gilles (Lake Nipigon NDP)  
 Rae, Bob (York South NDP)  
**Ramsay, Hon. David**, Minister of Correctional Services (Timiskaming L)  
 Ray, Michael C. (Windsor-Walkerville L)  
 Reville, David (Riverdale NDP)  
 Reycraft, Douglas R. (Middlesex L)  
**Riddell, Hon. Jack**, Minister of Agriculture and Food (Huron L)  
 Roberts, Marietta L. D., Deputy Chairman of the Committees of the Whole House (Elgin L)

Runciman, Robert W. (Leeds-Grenville PC)  
 Ruprecht, Tony (Parkdale L)  
**Scott, Hon. Ian G.**, Attorney General (St. George-St. David L)  
 Smith, David W. (Lambton L)  
**Smith, Hon. E. Joan**, Solicitor General (London South L)  
 Sola, John (Mississauga East L)  
**Sorbara, Hon. Gregory S.**, Minister of Labour (York Centre L)  
 South, Larry (Frontenac-Addington L)  
 Sterling, Norman W. (Carleton PC)  
 Stoner, Norah (Durham West L)  
 Sullivan, Barbara (Halton Centre L)  
 Swart, Mel (Welland-Thorold NDP)  
**Sweeney, Hon. John**, Minister of Community and Social Services (Kitchener-Wilmot L)  
 Tatham, Charlie (Oxford L)  
 Van Horne, Ronald G. (London North L)  
 Velshi, Murad (Don Mills L)  
 Villeneuve, Noble (Stormont, Dundas and Glengarry PC)  
**Ward, Hon. Christopher C.**, Minister of Education (Wentworth North L)  
 Wildman, Bud (Algoma NDP)  
**Wilson, Hon. Mavis**, Minister without Portfolio (Dufferin-Peel L)  
 Wiseman, Douglas J. (Lanark-Renfrew PC)  
**Wong, Hon. Robert C.**, Minister of Energy (Fort York L)  
**Wrye, Hon. William**, Minister of Consumer and Commercial Relations (Windsor-Sandwich L)

\*The alphabetical list of members appears in each issue. Lists of the members of the executive council, parliamentary assistants and members of committees, brought up to date as necessary, are published in Hansard in the first and last issues of each session and on the first sitting day of each month.



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No. 28

# Hansard

## Official Report of Debates

### Legislative Assembly of Ontario

**First Session, 34th Parliament**  
Wednesday, December 23, 1987

Speaker: Honourable Hugh A. Edighoffer  
Clerk of the House: Claude L. DesRosiers

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# LEGISLATIVE ASSEMBLY OF ONTARIO

Wednesday, December 23, 1987

The House met at 1:30 p.m.

Prayers.

## MEMBERS' STATEMENTS

### PHILIPPINE SEA DISASTER

**Mrs. Grier:** The tragic sinking of a ferry boat in the Philippines this week has meant that for many Ontario families Christmas, instead of being a time of joy, has become a time of sorrow. Even yet, the extent of the disaster is not fully known, and families wait in fear for news of their relatives and loved ones.

In Ontario, there are over 60,000 residents of Filipino origin. If the government has not already done so, I hope it will convey to President Corazon Aquino an expression of sympathy and continued support from the people of Ontario.

The United Council of Filipino Associations in Canada plans a national fund-raising drive to aid the families of victims of the sinking and hopes to work with the International Red Cross to create links between Filipino communities in Canada and these families.

In Toronto, a campaign to raise funds is being spearheaded by the Filipino newspaper, *Balita*. I know many Canadians will want to contribute to this fund. Contributions can be made through the Imperial Bank of Commerce at Dundas and Victoria Streets, and should be made out to the Philippine Sea Disaster Fund.

I think it would be fitting for the government to make a generous donation to this fund in the name of the people of Ontario. I hope it will do so in the name of all the members of this Legislature.

### HOSPITAL FUNDING

**Mr. McCague:** This past February, Collingwood General and Marine Hospital, to commemorate 100 years of service to the community, embarked on a fund-raising program with the slogan, "A Tradition of Service, A Future of Caring."

I am pleased to report that this fund now amounts to a very commendable \$4 million. In 1984, the hospital initiated a study to determine the health care needs of the area and a master plan has existed since 1985.

Over 28,000 people look to this 102-bed hospital for health care services, where, for two thirds of this past year, occupancy has exceeded 100 per cent. It is noted for its service in obstetrics and orthopaedics and is the major trauma centre for the region. It maintains an excellent around-the-clock emergency department. It supports a school of nursing assistants, with a long tradition of quality training.

Collingwood is a growing community where the demand for medical service may soon reach a crisis proportion. It is estimated that \$15 million is required for upgrading and equipment, with half of this amount anticipated from the province. As yet, the Minister of Health (Mrs. Caplan) has not given approval to proceed with the functional planning stage. With tremendous community support and well-documented medical requirements, I urge the Minister of Health to give this project her very highest priority. A century of service certainly deserves a future of caring.

### CHRISTMAS CAROL

**Mr. Owen:** What about Ontario is best known to the other parts of the world? If you thought about the CN Tower or the Ontario Science Centre, you would be wrong. In fact, it is a Christmas carol almost 350 years old.

Father Jean de Brébeuf lived among the Huron Indians for 22 years, learning their language and ways and teaching them his faith. The Indians found the church's music and hymns strange. Father Brébeuf took a 16th century French song and wrote words describing God as the Gitchi Manitou or great spirit, the wise men as three chiefs and a stable of broken bark and swaddling clothes as a ragged robe of rabbit skin. It is believed the carol was first sung by the Indians 346 years ago, in 1641.

In 1648, the Iroquois invaded Huronia. Father Brébeuf was warned to flee to safety, but he chose to remain with his loved flock. He died after many hours of extreme torture. The Iroquois were in awe of his courage and strength.

The Hurons who survived continued to sing Father Brébeuf's carol. Today, all over the world, all nationalities remember the nativity



with the compelling language and images originating in our own Huronia and our own Ontario.

### TRADE RESOLUTION

**Mr. D. S. Cooke:** I rise to inform the Liberal back-benchers why we are here today and why we will be here next week.

I would like all members to remember that the theme the Liberal Party ran on in the last election was "leadership that is working." There are 94 members of the Liberal Party in the Ontario Legislature and a combined opposition of only 35 members; yet we have not been able to pass Bill 51. So this Sunday coming along there will be no protection for workers who are working on Sunday. In fact, there has been no legislation passed at all.

Then, of course, there is this free trade motion that the Premier (Mr. Peterson) introduced in the name of the Liberal government, a resolution that sits on the fence, a resolution that has been described in many ways by this opposition party, but certainly a resolution that commits this government in no way, shape or form to opposition to free trade.

In an effort to try to solve the impasse that has been reached in this Legislature, our party proposed yesterday an amendment to this resolution, which we thought would have satisfied the Liberal Party as well as the Conservative Party, and I would like to read it into the record. It would have been an amendment.

"However, it is the Legislative Assembly's determination to permit the widest possible consultation on an issue of this importance to Canada, and it is the prerogative of the Legislative Assembly of Ontario to examine the proposed free trade agreement in detail and to seek representations from the people of Ontario and to refer it out to committee."

This would have solved their problem and ours and we submit—

**Mr. Speaker:** The member's time has expired.

**Mr. Harris:** I would have given up some of my time to hear the end of that.

This government's swelled head is just nature's frenzied effort to fill a vacuum. The Premier not only starts things he cannot finish, but he starts things he cannot even begin. The Liberal Christmas gift to Ontario is a list of its initiatives. The propaganda in their glossy little end-of-session pamphlet confirms that the only thing this government has ever achieved on its own is dandruff or great snow jobs.

The reality is that this government has proved that bigger is not necessarily better and that sometimes more is less. The bigger Liberal government provided less leadership, less direction and less vision than even its critics had thought conceivably possible.

The legislative record in the first session was spectacularly unproductive. The Liberal government, after only two years in office, is already into statutory reruns. As of today, the government has introduced a total of 46 bills; of those, 26, or more than half, are carryovers from the previous parliament. In other words, it has brought forward only 20 new bills, few of which have any substance. It continually tries to grab headlines by promising to abolish QCs. Bill 15 is the third bill introduced by the Liberals. I assume we will see it next session, next year and the year after that as well.

Apparently, the burdens of majority are proving too much for the Liberals. They appear to be in an overdrawn position at the idea bank. To date since the election, not one single piece of legislation has been passed.

1340

**Mr. Reyecraft:** I would like to respond to some of the comments that have just been made by the member for Windsor-Riverside (Mr. D. S. Cooke) and the member for Nipissing (Mr. Harris). There seems to be a great deal of misunderstanding and misinformation being put forward about this government's position on the issue of free trade. I want to say that the House leader, the member for Renfrew North (Mr. Conway), has made his position on this matter very clear to the other House leaders.

We indicated that pending receipt of the final text on the Canada-US trade agreement, the issue of a debatable motion should be put forward. We agreed that the final text would be referred to the standing committee on finance and economic affairs. As well, we discussed debating the free trade issue. At the request of the member for Windsor-Riverside, Mr. Speaker, and with your concurrence, we agreed to set aside any such debate until Tuesday, December 15—this was some time ago—to accommodate the absence of the Leader of the Opposition (Mr. B. Rae) on December 14.

As you know, Mr. Speaker, the final text of the agreement was not available until Friday, December 11. The following Monday, the Premier (Mr. Peterson) tabled the text and indicated in his remarks that a resolution would be introduced for debate the following—



**Mr. Speaker:** Order. The member's time has expired.

Interjections.

**Mr. Speaker:** Order.

**Mr. R. F. Johnston:** Mr. Speaker, on a point of order: Is there some reason the clock was running?

Interjections.

**Mr. Speaker:** Order. You are wasting time. The member for Scarborough West.

**Mr. R. F. Johnston:** The point of order is that I am not sure why the clock was running before I was recognized. At the point that I was recognized, it had already run down 15 seconds. I think I should have 45 seconds to make my statement, if there is agreement.

**Mr. Speaker:** The standing orders state that there shall be up to 10 minutes. If the members wish to change those standing orders and give unanimous consent for 45 seconds—is there agreement?

Agreed to.

**Mr. Speaker:** There are 45 seconds for the member for Scarborough West.

**Mr. R. F. Johnston:** I thank the generosity of the House.

I would like to say that I am kind of surprised to know that we have a statement from the government whip on this matter of why we are here. I do not know if members of the Liberal Party have actually seen the fact that this government of theirs has actually sent a letter already to the Prime Minister of Canada and to Ambassador Niles, indicating that government policy is the resolution it is putting forward. There is no capacity to amend it. There is no capacity for the members as individuals to have any effect on it. This is what is known, by the way, as the tyranny of the executive over the majority of the House, not just the minority in the House.

The amendment we were proposing yesterday would have referred this resolution, which they have already put forward as government policy anyway, off to the committee which is dealing with the free trade issue and would have allowed us all to have the sensible situation of getting out of here for Christmas, being with our families and allowing people on this assembly's staff to do the same kind of thing, instead of the incompetence we have seen.

#### RECORD OF DEBATES

**Mr. Harris:** Mr. Speaker, on a point of order: The long-standing practice of Hansard is not to

print the text of interjections made by members who do not have the floor unless (1) the member is called to order by the Speaker or (2) the interjection is responded to by the member who has the floor. That makes sense because then it will flow in the printed Hansard if the interjection is there.

On Monday, October 21, 1985, you yourself ruled in response to a point of order raised by the then member for Leeds, "As members are aware, interjections, being out of order, are not recorded unless they elicit a response."

This morning one of our staff members confirmed with one of the Hansard editors that this practice still continues, namely, interjections that are not responded to are not recorded and that interjections which are responded to are recorded in Hansard.

My point of order relates to two similar interjections made by the Minister of the Environment (Mr. Bradley) and the Minister of Natural Resources (Mr. Kerrio) on Monday. During question period, the Minister of the Environment interrupted the member for Sarnia (Mr. Brandt) to suggest that New Brunswick Premier Frank McKenna's support for free trade had been bought by a frigate contract. There is no doubt the comment was made.

Today's Toronto Star, in an article entitled Bradley Backtracks on Frigate Barb, reports:

"In a tape of the discussion in the Legislature Monday, Bradley can be heard shouting 'For a frigate' when Progressive Conservative leader"—my leader—"Andy Brandt pointed out to Premier David Peterson that seven of the 10 premiers support the trade deal."

On page 24 of the Instant Hansard for that day we see the leader of this party, my leader, did indeed respond to the interjection.

My leader said: "I very clearly heard the Minister of the Environment say that the only reason New Brunswick supported the deal was it was bought off by the frigate deal. I think that is beneath your minister. That is exactly what he said."

I believe there can be no doubt that the interjection was picked up and was responded to. I would suggest that, according to the guidelines of Hansard, the minister's comment should have been recorded, yet it was not. I bring it up now because there is still time before the final Hansard goes out.

Mr. Speaker, I would like you to look at a second one, later in the day at 3:20 p.m. According to Instant Hansard, the Minister of Natural Resources made an interjection during



the speech of the member for Cochrane South (Mr. Pope). Quoting the member for Cochrane South, on page 45: "Last week we had Frank McKenna, the newly elected Liberal Premier of New Brunswick, finally came on board and said he thought on balance that free trade agreement was a good thing to go on. The Minister of Natural Resources has just said, for the record, exactly what the Minister of the Environment said during question period, that Mr. McKenna came on board for six frigates."

When we examined the videotape of that speech this morning, we saw quite clearly that the member paused after the first sentence, heard the interjection from the minister and then responded in the second sentence, but Hansard has printed the two sentences one after the other, without a break.

On the next page the minister tries to clarify his remarks. There is no doubt there was an interjection and a response from the member who had the floor, but the interjection again is not recorded in Hansard.

Mr. Speaker, I would ask you to examine the tapes of Monday's proceedings as well as the notes taken by the stenographers—it should be noted the Minister of the Environment sits right beside them, so I know it was picked up—to find out why the two comments, which by your own guidelines should have been printed, have disappeared from Hansard.

**Mr. Speaker:** I will certainly take a look at the request made by the member for Nipissing.

## STATEMENT BY THE MINISTRY

### INDUSTRIAL RESTRUCTURING COMMISSIONER

**Hon. Mr. Kwinter:** I would like to inform members of the House of the appointment of Malcolm Rowan as Ontario's new industrial restructuring commissioner effective January 1, 1988.

This appointment reflects the high priority that this government places on dealing directly with the necessary restructuring of some industries in this province. In creating this position, we are honouring our commitment made in the throne speech in the spring.

It is an integral part of our efforts to implement an economic strategy for Ontario that will assist in the transition to a more technologically and competitively oriented international marketplace.

The industrial restructuring commissioner will, at my direction, assist industries and workers to meet and adjust to the challenges

imposed by technological changes and severe international competition.

The commissioner will be responsible for exploring and implementing creative adjustment alternatives to plant layoffs and closures. In this capacity, Mr. Rowan will consult with organized labour and workers, management, the local and federal governments and communities.

I have asked Mr. Rowan to take a flexible approach to his assignment. He will have access to the full range of government programs. He will also involve other ministries such as Labour, Northern Development, Treasury and Economics, Municipal Affairs, and Skills Development in developing appropriate solutions.

The industrial restructuring commissioner will supplement, not replace, the existing structures within government responsible for plant closures and layoffs. The provisions of the Employment Standards Act will continue to govern layoffs and closures.

Mr. Rowan has served in a number of senior posts since joining the Ontario government in 1972. Most recently, he was chairman of the task force on the investment of public sector pension funds.

1350

## RESPONSES

### INDUSTRIAL RESTRUCTURING COMMISSIONER

**Mr. B. Rae:** I would like to say very briefly that I find it a bit astonishing that it would take the government from April until December to announce the name of its appointee for industrial restructuring commissioner.

I can only assume the reason for the delay was that the government was considering other legislation which would give the commissioner some kind of power and it has reached a conclusion, particularly now armed with its large and complacent majority, that it does not need to provide the commissioner with any kind of legislation to do anything.

Again, we have a government without batteries; a government without movement, and a commissioner without power. All I can say is we wish Mr. Rowan, whose work for the previous Conservative administration in many different posts was well known, particularly in the energy field and other fields where the Conservatives were such creative interveners in the economy, and with a program which was so supported by the Liberal Party at that time, as members will recall.



We wish Mr. Rowan the very best, and we are sure he will have the same support from the Liberal Party that he had when he was working for the previous government.

**Mr. Brandt:** I welcome the announcement made by the Minister of Industry, Trade and Technology (Mr. Kwinter) today with respect to the initiatives to prepare Ontario for the inevitable future, which is going to be highly competitive on an international basis and will involve Ontario being in the marketplace, confronted with competition from a great many countries, not the least of which will be the United States, with or without free trade.

I wonder if, in addition to the outline in his statement with respect to Mr. Rowan's responsibilities covering plant layoffs and closures, the minister would expand that to include corporate takeovers and an analysis of that particular area of activity which is going on with increasing concern, I believe, not only in Ontario but right across Canada.

I want to share with the minister the concern that I have in many instances and why I suggest this as being perhaps another dimension of the problem that he might look at. As he is well aware, many of these corporate takeovers result in nothing more than paper shuffling and artificial profits to individuals, without any real benefit to the economy. What the government can do at the provincial level is perhaps something we could look into or discuss and debate in this House. But certainly there should be some concerted effort towards the expansion of the economy and not simply the absorption of one corporation by another, which in many instances results in nothing more than fewer jobs and the rationalization of the employees who work for the subject corporations.

The need for restructuring is something we would all agree with. I wish Mr. Rowan the very best of luck in pulling together all of the programs that will be needed with respect to moving Ontario into the next century, because the type of competition that the minister knows is inevitably going to affect us is something we have to prepare for. I would say the comments of the Premier (Mr. Peterson) at the first ministers' conference, relative to the need for an expansion of research and development, should also be incorporated in this statement.

There is no question that when you have a province which on a per capita basis spends less than Egypt on research and development—less than Egypt; I looked that one up just for the minister's benefit—then I think he has to do an

analysis of how serious he is about trying to develop an industrial province that is going to be truly competitive. The foundation, the very basis for that, the very engine of growth that drives that phenomenon that we know as industrial expansion is in virtually all instances that very mysterious thing known as research and development. I think that should be looked at very carefully in the context of this particular initiative as well.

I do wish him well. We will be watching his performance carefully, as always. If he does a good job, we are prepared to say that he has done a good job. However, as has been the track record over the last while with this government, if he does less than an adequate job we will be standing up and sharing with him our views on where his shortcomings are as well.

### ORAL QUESTIONS

**Mr. B. Rae:** Mr. Speaker, I am waiting for the arrival of His Majesty. When His Majesty comes, I will have some questions for him.

**Mr. Speaker:** I do not think it is possible to ask a question of His Majesty. Which minister do you wish to address your question to?

**Mr. B. Rae:** When the first one is here, I will ask a question of the first minister.

**Mr. Speaker:** Is it agreed to let the Leader of the Opposition stand down the question?

**Mr. Brandt:** Mr. Speaker, I too have the same problem. As soon as I hear the trumpets blaring, I will know we are ready to go.

**Mr. Speaker:** If that is agreed, we will continue with questions.

**Mr. Brandt:** I still have my second leader's question.

**Mr. Speaker:** The second?

**Mr. Brandt:** Yes.

**Mr. Speaker:** The member for Nipissing.

### RETAIL STORE HOURS

**Mr. Harris:** Yesterday the Premier (Mr. Peterson)—

**An hon. member:** Where is Alan Pope?

**Mr. Callahan:** Bring back Alan Pope. He's out there campaigning for the leadership. He's getting a jump on you, Mike.

**Mr. Harris:** I talked about the member's mouth yesterday. Does he want me to start talking about it again today?

Interjections.

**Mr. Speaker:** Order. The member for Nipissing has a question to which minister?



**Mr. Harris:** I have a question for the Solicitor General. That was the member for Brampton South (Mr. Callahan) I was talking about earlier, for Hansard.

Yesterday, the Premier simply laughed at the suggestion that anyone in Ontario is confused about December 27 Sunday shopping and store openings. The situation is so clear, the Premier said, yet the Attorney General (Mr. Scott), a legend in his own mind on legal matters, could only advise workers and employers to hire a lawyer, in response to reporters' questions yesterday about the right to refuse work or to open.

Since the Premier says there should be no confusion, will the Solicitor General today assure people who are open that she will authorize the Liberal Party of Ontario to pay all legal expenses incurred by following the Attorney General's advice and hiring a lawyer?

**Hon. Mrs. Smith:** The member well knows that I can make no guarantees on behalf of the Liberal Party. I have no authority there.

**Mr. Harris:** That helps to clear up the confusion that is out there. I am sure the Attorney General will appreciate the support the minister has given him.

I would like to know if the minister can clear up any confusion resulting from one of her own actions. The Solicitor General should be aware that workers in the business community in North Bay have come up with an agreement that every retail store in the city will close on Sunday. Now she has sent letters to the mall owners asking them to give store owners the choice to open or close. In trying to clean up a problem in some areas of the province, the minister has opened the whole mess up again in North Bay.

My supplementary is, assuming that anybody listens to her, does the Solicitor General not realize she is now insisting that the mall stores in communities like North Bay, where an agreement has already been achieved, now be given an option, and if one single store exercises that option in North Bay the whole deal falls apart?

**Hon. Mrs. Smith:** The member well knows that my intention in writing to mall owners was to support the small stores which wished not to open. We have succeeded very well in that. Every mall owner we have heard from has agreed to give this choice.

I am sure if people in a local community have made their own agreement, they will keep their agreement. I do not imagine the people in North Bay will suddenly break their word to each other simply because I did something to try to assist

small stores across this province. If the member knows something about the store owners in North Bay that I do not, then I am sorry.

**Mr. Harris:** I am not asking the minister to apologize; I am asking her to do something.

It was the mall owners who agreed, not all the individual store owners. The minister now is encouraging the mall owners to say, "Give them a choice." We have a situation where the Attorney General has given big stores permission to break the law, the Solicitor General is encouraging mall owners to take advantage of a loophole in the law, the Minister of Labour (Mr. Sorbara) wants, although his government will not give it to him, to give protection to some workers and not to others, and the public is becoming more and more outraged by this fiasco.

**1400**

The only one who is not confused, apparently, is the Premier. Last August, in the middle of the campaign, he said there is widespread support for a common pause day in Ontario and he would not be making any changes. That is what he said in the campaign.

My final supplementary is, instead of all the tinkering by all the ministries, why will the minister not do one simple thing to clean up the whole mess and bring in a one-paragraph bill today that says all retail stores will be closed on December 27?

**Hon. Mrs. Smith:** It seems fairly apparent to me and to the members in the House that we are not going to be able to bring in even the bill we do have in front of us which is to protect the workers in the stores that should not be open. We have done what we could do to assist the small store owners in the malls on December 27, and I am sure the member does not really wish to suggest that this was not well received by the workers in those stores.

#### ONTARIO FOOD TERMINAL BOARD

**Mrs. Grier:** I have a question for the Minister of Agriculture and Food concerning the operation of the Ontario Food Terminal. In 1979, the standing committee on procedural affairs of this Legislature examined the operation of the terminal and in its report pointed out that when the terminal was built, stalls were leased to wholesalers for, in effect, perpetuity at a fixed rate of rent.

The report went on to say that in essence, as a result of public legislation which has effectively restricted entry to this market, the lessees, who were of course private interests, were making windfall profits. At that time it recommended



that the terminal's leases be altered to eliminate the effective granting of perpetual leases.

I brought to the attention of the minister seven months ago that one subtenant was now being asked to pay \$800,000 for the privilege of transferring the lease on 2,000 square feet to his name and the minister has replied to the effect that there is nothing he can do. Does the minister's failure to act mean that he condones this unconscionable ripoff that gives private interest windfall profits at the expense of small family businesses?

**Hon. Mr. Riddell:** I am delighted to have a question asked by the honourable member, who appears to be expanding her horizons with questions to various ministries rather than just to the Minister of the Environment (Mr. Bradley). I am a little surprised that she would ask that question, because I sent her what I thought was a rather detailed letter regarding the activities that my ministry is involved in to address the very concern that she has about the operations of the food terminal.

Let me repeat that my ministry has undertaken two initiatives to address the complaint of the member for Etobicoke-Lakeshore. The first is to construct eight new units at the terminal to meet the demand by new commissioned firms for facilities in the Ontario Food Terminal building. It is expected that construction of the new units could start in the spring of 1988, so the member's constituent will have a chance to apply for one of the stalls.

The Ontario Food Terminal Board has recommended that subletting be restricted in these new units, and I support this recommendation. The policy of the board is to rent to new tenants. It is developing criteria for the selection of these new tenants.

**Mrs. Grier:** The minister's answer is small comfort to my particular constituent whose lease expires in February.

Given that the minister in his letter to me pointed out that it would require legislation in order to aid the existing tenants, can the minister give the House some undertaking that in those cases where there are leases that have another 24 or 30 years to run—in addition to the eight new stalls that may be built; they have been promised for a very long time—he will take some action before the next 24 years are up to help the existing tenants?

**Hon. Mr. Riddell:** The Ontario Food Terminal Board has, at my request, undertaken an intensive review of the Ontario Food Terminal Act with the board's solicitor. It may mean that

we will have to amend the legislation to put a stop to the concerns she has regarding subletting. I will await the final review with the solicitor, and if it is the recommendation that we change the legislation, then the member may be surprised how quickly I will come into this House with an amendment to the legislation.

#### TRADE WITH UNITED STATES

**Mr. B. Rae:** I have a question of the Premier. He was kind enough to release yesterday copies of letters that he wrote to Mr. Mulroney and Ambassador Niles setting out what he described as the official position of the government of Ontario.

For the longest time, the Premier was telling us that he could not possibly indicate what the official position was until the Legislature had indicated what it was by means of a vote. He then abandoned that position yesterday and decided to write them anyway what the official position is of an unamended resolution that is now being debated in the House.

In light of that, does the Premier not feel more than a little foolish and indeed incompetent to have refused yesterday a very, very logical proposal made to his House leader by my colleague the member for Windsor-Riverside (Mr. D. S. Cooke) that the entire resolution be referred to the committee, along with sessional paper 108? There would be nothing taken away and no other amendments added. We were prepared to recognize that the Premier was not going to accept our amendments. Nobody would press a particular case. The Progressive Conservative Party was willing to accept the fact that the resolution was going to be moved into committee.

What possible objection would the government have, with all the members it has, with staff all around wanting to spend time with their families—a perfectly reasonable thing to want to do? Why would the Premier reject that very reasonable proposal from our party?

**Hon. Mr. Peterson:** I think the honourable House leader for the government side has been most reasonable throughout this entire discussion. There are several aspects to it, but I am happy to discuss it with my honourable friend.

I took the opportunity yesterday to put forward to Mr. Mulroney and the American ambassador officially the position of the government in Ontario. It is my view that when the Legislature speaks on this question it will carry even more weight. We are hopeful that the New Democratic Party can be persuaded to support this resolution.



Most people know the outcome of the vote that will be taken in this House, although I respect the fact that a number of members want to speak on it. It is indeed a debate of historic proportions. We put it into the House as quickly as we possibly could upon receiving the final text, as we said we would do, and now that debate is going forward.

I have no problems sitting here and having a debate about it. I think it is quite constructive. I think it would add weight to the government's position to have a final resolution from the Legislature, and we are happy to have that debate as long as it goes and convey that to the government when a resolution has finally been made.

**Mr. B. Rae:** I want the Premier to know that what we are talking about is civility between parties in this House. I want him to know that in my 10 years of experience in the Legislature and in the House of Commons I have never seen a government less thoughtful of the lives of members of this place, less thoughtful about the lives of people who work for the government and who work for the assembly, and less intelligent about how to work out a reasonable compromise between parties. I have never in my experience seen that before.

**Mr. Speaker:** Order. This is question period. Does the member have a supplementary question?

**Mr. B. Rae:** I certainly do. What is wrong with the proposal from us that would simply add to his resolution the following words, "It is the Legislative Assembly's determination to permit the widest possible consultation on an issue of this importance to Canada, and as it is the prerogative of the Legislative Assembly of Ontario to examine the proposed agreement in detail," which the Premier himself would have to admit we have not had time to do, "and to seek representations from the people of Ontario concerning its impact on the economy of the province, therefore sessional paper 108 and this resolution are referred to the standing committee on finance and economic affairs for a report to the assembly"?"

What could be a more reasonable proposition; that would be supported, I believe, in terms of its intent and what it would like to do, by every member in this House? What could be more reasonable than that?

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**Hon. Mr. Peterson:** I think the government, through the House leaders, expressed its view to

you and others that we believe we should have a vote on this resolution. I guess the member's approach is to try to water that down. It is not our approach at the moment. We are very happy to refer the trade agreement and we have said that it is very much, we believe, in the interest of all of us to go ahead and study that agreement. My honourable friend is sticking his argument on the question of referring the resolution as well. I think, and it is the government's view, we would water down that resolution by passing it and then not passing it. If it is such a big deal, why does the member not just agree with us?

I think the honourable House leader has put forward a position in a thoughtful and reasonable way for a variety of reasons. The member and my friends opposite have dug in their heels and that is fine. It is an important debate. Let us take our time and let all members speak their minds on this important matter of the day.

**Mr. B. Rae:** You are the one who has dug in his heels. You have shown an arrogance that really is not becoming. It really is not becoming.

**Hon. Mr. Peterson:** My honourable friend is quite exercised about this and I can understand that, but I say to him that I think the government has been fair. It has signalled and shared its intentions throughout. I say this to the member, when there is important business, this government is prepared to work.

**Mr. B. Rae:** This government says it is prepared to work. It has not passed one single piece of legislation since its election on September 10; not one, not one. He says they want to work. I have never seen such incompetence and arrogance combined as in the people who are sitting on that front bench over there. It is unbelievable.

I would like to ask a final supplementary question of the Premier. Their incompetence is matched only by their arrogance today. He himself referred to the letter sent by Senator Bentsen and Representative Rostenkowski to Ambassador Yeutter and to Secretary Baker. In the American Congress they are saying: "There's no rush. There's no push. There's no need for us to move on this thing. We want to wait for the trade bill." They are trying to look at the omnibus trade bill and tie it to it.

Ottawa is not in a hurry. They have managed to adjourn until January 18. I make no apology for saying I think this is a time for family. I make no apology for that and I will not. Just who does the Premier think he is, to force people to sit here on a debate he thinks he has to have, when he has not brought in one piece of legislation that he has



been prepared to pass? He has a resolution that is namby-pamby at best. Just who does he think he is?

**Hon. Mr. Peterson:** My honourable friend is quite exercised and I understand that. I, like him, have a little family and would like to be with my family.

One of the realities of the situation is that we have had five or six days of debate on this motion. The members opposite, for reasons of their own, want to drag this thing out and they are quite entitled to do that. If we had brought in time allocation or a closure motion, they would accuse us of incredible arrogance. We have sat here. We try to be very sensitive to the rights of the minority parties in this majority House. When the members opposite want to have an emergency debate, whether it is relevant or not, we are happy to hear them out. They have brought in several of them.

**Mr. B. Rae:** Let me tell you, brother, this will not be readily forgotten.

**Hon. Mr. Peterson:** My friend is always saying to me and threatening me, whether it is about research money or money for members of parliament, it will not be forgotten. Majorities have to be sensitive to the rights of minorities and we are, but minorities have to be mindful, as well, of making the whole system work. I say to my honourable friends opposite that they have forgotten their responsibility and if there is arrogance in this House, it is from my friends opposite.

**Mr. Speaker:** New question.

**Mr. B. Rae:** That is precisely why we put forward a constructive amendment. That is precisely why we decided we would work. Let me tell you something, brother, for the last two and a half—

**Mr. Speaker:** Order.

**Mr. B. Rae:** You remember that too.

**Hon. R. F. Nixon:** Don't threaten.

**Mr. B. Rae:** I am not threatening anybody. I am just saying there are ways of behaving. Talk about incompetence.

**Mr. Speaker:** Order.

McDONNELL DOUGLAS CANADA LTD.

**Mr. B. Rae:** I wonder if the Premier can tell us, does he think that a company that made \$1 billion in the last three years ought to be able to provide a healthy workplace for its employees?

**Hon. Mr. Peterson:** I am not sure of the circumstances my honourable friend is raising,

but I would like to hear the details. If I can be helpful, obviously it is the government's view that we should provide healthy workplaces.

**Mr. B. Rae:** The case is the one that was raised yesterday by my colleague from Hamilton, the one we have been raising in the House for some time: McDonnell Douglas. McDonnell Douglas is an American-based firm which is supported by Canadian taxpayers and which has made nearly \$1 billion in profits in the last three years.

Section 40 of the Employment Standards Act and the powers in the Occupational Health and Safety Act give the government of Ontario quite extensive powers in negotiating with these companies to make sure they stay open, stay operational and do not use health and safety to blackmail their workers.

I wonder if the Premier can now tell us, since he has had the situation in hand for some time, precisely what kind of action the government is going to take on behalf of working people before Christmas.

**Hon. Mr. Peterson:** I wish I was in a position to answer that question; unfortunately, I am not. I am very mindful of the case that was raised by the honourable member and his colleague the member for Hamilton East (Mr. Mackenzie). There are discussions going on today. I am very aware of the serious allegations that have been made, in a sense on both sides. The government has been involved before in this particular case, as my honourable friend knows; but it is our view, and I am sure it is the view of my friend opposite, that the government has a responsibility to make sure the company does provide a safe workplace.

**Mr. B. Rae:** The Premier should know, if he thinks it is so important for everybody to be working, that we expect the government to be working on behalf of working people. He should know there are workers on that line who got a layoff notice. That is their Christmas present from McDonnell Douglas. McDonnell Douglas is supported by taxpayers in Ontario to the tune of literally billions of dollars in terms of what the ultimate impact of the F-18 contract is going to be.

There is a ventilation system in that plant which does not work; it needs to be fixed. Is the Premier going to make the company fix it, and is he going to make sure that workers do not pay the price for a company which is not prepared to do the decent thing on behalf of its people and which is not prepared to obey the law in Ontario? There were 212 infractions in the last inspection. Just



what is the Premier going to do to enforce the law?

**Hon. Mr. Peterson:** I understand the point my honourable friend makes. This government will stand up for a clean environment, clean workplace, and I believe the minister has done a considerable amount of work in that regard. I wish I was in a position to give my honourable friend the details, but it is something we will be monitoring today and tomorrow as meetings are ongoing. We will try to find a resolution to this problem. I wish I could share it with him now, but I would be happy to do so tomorrow, if it develops tomorrow.

#### TRADE WITH UNITED STATES

**Mr. Brandt:** My question, as well, is for the first minister and it relates to the Premier's position on the free trade question. As I understand the Premier's position, as it has evolved over a period of time, he would in fact favour a trade agreement; it is this particular agreement that he does not like and that he does not support for various reasons.

I wonder if the Premier would indicate what those reasons are and if he would outline for us the reasons he is opposed to this particular agreement. Where are its weaknesses?

**Hon. Mr. Peterson:** Mr. Speaker, I am not sure how indulgent you are prepared to be with me today in terms of time, but I could take—

**Mr. Brandt:** Just one or two.

**Hon. Mr. Peterson:** It does not achieve secure access into the United States. It does not achieve exactly what the Prime Minister said he wanted to achieve. We have not got around US trade remedies and laws: countervail, antidump, 201s, 301s, 367s still stand there, and we have achieved no relief from them. That is the first one and an important one.

Do you want me to carry on from there, Mr. Speaker?

**Mr. Brandt:** I will deal with that one. The Premier indicates that secure access would be one of the factors that would be necessary in order for him to give his imprimatur to this particular agreement. If, in fact, the Premier were to secure the kind of access I believe he is looking for, he would literally have to have control over the US trade laws in order for him to accomplish what he has just set out.

If the kind of secure access he is looking for was possible under any trade agreement, would the Premier now share with the House what he would be prepared to give up on the part of

Ontario and Canada in order to get that secure access? We recognize that in this type of international negotiations between nations, it is quite common when you sit down to negotiate a settlement that you give up something in order to get something.

If the Premier wants secure access and he wants US trade laws and US trade remedies set aside, what is the Premier prepared to give up in order to get that part of the deal accomplished for Ontario?

**Hon. Mr. Peterson:** With respect to my friend's question, he says those are my conditions. I can tell him they were the Prime Minister's conditions. They were Mr. Reisman's conditions. They were Miss Carney's conditions. That is what they said they set out to achieve: that US trade remedy laws would not apply to Canada, period.

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I have checked the record on this for some considerable period. The member's federal leader, who used to be violently opposed to free trade, has changed his mind, as the member knows. He said he was going to go in and achieve secure access and he did not.

Obviously, in answer to my friend's question—it is hypothetical, but I will answer it—you would have the same rules on each side in that particular case. I recognize that in any international treaty there is a giving up of, shall we say, sovereignty, presumably to get something back, so you would have had reciprocity on those particular trade remedy laws. That is the answer to my friend's question.

**Mr. Brandt:** In fact, what the Premier is saying is that he is prepared to give the United States control over Canadian trade laws, that he is prepared to allow the Americans to come in here and to establish for us the conditions under which we would trade with them. Then he would really have some concerns, I would suggest to the Premier, with respect to regional subsidies and other inducements that may be brought forward by governments to assist slow growth or marginal growth areas. Is that in fact what he is saying?

**Hon. Mr. Peterson:** My friend is taking a very weak case and trying to build something on top of it. I am not even sure why he is taking this line, because my honourable friend himself has said that this deal is no good if it does not escape the omnibus trade bill, and there are no guarantees even with the side letters in the deal that we are going to escape future trade remedy actions in the United States.



Part of the agreement is that they are going to chat over the next five to seven years to put new definition on that question of regional subsidies. They realize they are going to be talking about that and perhaps putting definitions on them in the next little while. But I say to my friend, obviously, the thing we wanted most was access into the US market. We have not achieved that.

I cannot understand why the member stands up in this House every day and tries to put the case of the Americans, in a sense, against the Canadians, trying to explain how we had to give up all this stuff in order to get nothing, because he puts himself in an impossible position.

**Mr. Sterling:** When you make a deal, it has to be fair.

**Hon. Mr. Peterson:** My honourable friend interjects and says, "When you make a deal, it has to be fair." I agree with him. This deal is not fair. We gave up energy policy, we gave up investment policy, we gave up a whole range of things way beyond a commercial agreement, which, in my view, will have a serious effect on the future of this country.

**Mr. Harris:** You are the one who wants to give up Canadian trade law to the United States. You want to give up our right to make our own laws in Canada; that is what you said.

**Hon. Mr. Peterson:** I have the member for Nipissing starting to yip as well.

I believe this deal is not in the national interest. Watch what is going to happen as a result of that. I say to my friends, they are putting themselves on the wrong side of this particular situation and they put themselves on the wrong side of history.

**Mr. Reycraft:** On a point of order, Mr. Speaker: We have had two leader's questions from the Conservatives, two leader's questions from the New Democratic Party and it is now time to go to the rotation.

**Mr. Speaker:** The member for Etobicoke-Lakeshore (Mrs. Grier) did ask a question previously.

#### DRUG BENEFIT FORMULARY

**Mr. Cousens:** With the delay giving the Minister of Health an opportunity to get to her seat, our question is directed to the Minister of Health. When is the Ontario Drug Benefit Formulary coming out?

**Hon. Mrs. Caplan:** That is a very good question. I want to thank the member for the question. I know several members have contacted me to ask about the drug formulary.

Given the number of new members in the House, for the information of members let me say that the drug formulary contains 2,500 listings of drug products and the prices at which government reimburses pharmacists who fill prescriptions under the Ontario drug benefit program.

**Mr. Cousens:** I just asked when. When?

**Mr. Speaker:** Order.

**Hon. Mrs. Caplan:** The answer to the member's question is that I am delaying the formulary because I have some concerns about the accuracy and completeness of some of the information presented to the ministry.

**Mr. Cousens:** Fancy answer.

**Mr. Speaker:** How about a fancy supplementary?

**Mr. Cousens:** This is not a happy Christmas present for the pharmacists of Ontario, with all due respect. Twice a year I ask a simple question and we get a long answer and it turns out to be worse than I thought it was going to be.

The pharmacists in Ontario, who are now so totally controlled by government legislation, expect they are going to get their little catalogue two times a year, and it is an important catalogue because it gives them their prices. They get it in January and they get it in July. The one that was supposed to be ready for January was supposed to be printed by December 16, 1987. Now we are about to hear the minister say, as she just said, "There are some problems."

The manufacturers submitted to the minister back in September the prices they were going to be charging. Now, what happens? The pharmacists in January must deny the fact. They must continue to charge what they did—

**Mr. Speaker:** The question is?

**Mr. Cousens:** I am leading up to it, Mr. Speaker.

**Mr. Speaker:** I appreciate that, and you have had—

Interjections.

**Mr. Speaker:** Order. You have had 60 seconds to lead up to it. Would you place the question now?

**Mr. Cousens:** I really look forward to asking the question. I would love to get an answer.

What does the minister propose to do to compensate the pharmacists for the fact that they have to charge the old price on January 1 and will not be getting the new money until she comes out with her new formulary?



**Hon. Mrs. Caplan:** I will be reviewing the information that the ministry has received. For the member and for pharmacists who are concerned about this—and I understand the position they are in—the current formulary will remain in effect until the new formulary is ready, and I am hopeful that will be early in the new year.

In the meantime, pharmacists can submit for actual acquisition cost if that cost is greater than the formulary in effect and special authorizations are available for drugs which are not listed in the formulary. Let me state again that I have some concerns about the accuracy and completeness of information that the ministry has received. I will be reviewing that and hope that the ministry will be able to release the new formulary early in the new year.

### TRIVIA GAME

**Mr. Faubert:** My question is for the Minister of Citizenship, the minister responsible for race relations and for the Ontario Human Rights Commission.

As reported in the Toronto press, the Urban Alliance on Race Relations is outraged by an adult trivia game being sold in Toronto stores, which the alliance states fosters racism and sexism. The alliance reports, and I quote its president, Dr. Wilson Head: "The game depicts blacks as lazy people who steal, Portuguese people as janitors, Jews as cheap and obsessed with money and Jewish women as sexually boring, Poles as stupid and Chinese as unable to speak English."

This game, called *Adultrivia II*, Joker's Edition, is manufactured by Trivial Development Corp. in Roselle, Illinois, and not only teaches and reinforces bigotry, stereotyping and racism, but it is also offensive. It is offensive to the multicultural fabric of Toronto and the entire province.

Has the Ontario Human Rights Commission been given the opportunity to examine this game, and can the minister advise the House of the commission's opinion on the game's contents and material?

**Hon. Mr. Phillips:** I think it is fair to say that this is a very offensive game. I think all of us, if we looked at it, would find it irresponsible and not in keeping at all with the tone that we want in Ontario.

The game first came to our attention about 10 months ago, and we persuaded the manufacturers, we thought at that time, to remove it from the shelves, which they did do. We thought the game

was gone. We are very disappointed to see it reappear now, and the race relations directorate has taken action to see that it is removed once again. We agree with the member that it is offensive. I think all of us would find it offensive. We took action 10 months ago that we thought removed the game from the shelves. We are very disappointed to see it reappear, and we are taking action now to address it.

**Mr. Faubert:** Could the minister advise the House specifically what actions were taken? If action was taken 10 months ago and it has not had effect, what further actions are being contemplated by the commission?

**Hon. Mr. Phillips:** We will deal in the three areas. We will deal with those who are retailing it, because I think it is irresponsible frankly to retail that particular game; we will deal with the distributor; and we will go back to the manufacturers and suggest that they have not been forthcoming with us. They informed us at that time they would not be reprinting it. They obviously have, based on information I have. We will deal with it on those three fronts, and I am convinced we will have a solution for the House.

### FUTURES PROGRAM

**Mr. R. F. Johnston:** My question is for the Premier. Yesterday I asked the Minister of Skills Development (Mr. Curling) a question concerning the fact that only \$75,000 out of \$1.2 million budgeted has been directed to native kids for Futures programming on the northern isolated reserves.

I am wondering if the Premier is concerned about the unravelling of his youth employment programs and if I could bring to his attention today and get him to comment on the concerns he might have about what is happening with the much ballyhooed announcement July 27 of the part-time work, part-time study option that was going to come in to improve Futures.

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If I were to tell the Premier that we have now phoned 21 offices at community colleges around Ontario to find out how many young people are participating in that program and have located 22 students who are participating, would he tell me whether that fulfils his desires and expectations for that program?

**Hon. Mr. Peterson:** The honourable member may be in possession of information that I am personally not aware of. I appreciate his bringing it to my attention and to the attention of the House. There may be mistakes we have made.



There may be ways we can improve it. Certainly, I do not accept that just because a program comes forward, it is going to live the way it is for ever. If we can change it and make it more flexible, pertaining more directly to the needs of our young people, then obviously we should be doing this.

When Futures came in, it was an era of particularly high unemployment among young people. That has lessened quite substantially and has put different pressure on the system, but we need the honourable member's advice in constantly upgrading these programs and making them more relevant to the needs in the sense of a changing student body.

I cannot confirm and I certainly do not deny the figures that the honourable member mentions, but I think they would say to me that they are cause for review from our point of view. If we can do it better, then we should do it better.

**Mr. R. F. Johnston:** I would bring to the attention of the Premier that in Ottawa no students at all are participating. In Sudbury, no students are participating. In the seven offices that work out of Timmins, there are no students participating. In London, a major success area, eight students are participating in the whole of London, Ontario.

I wonder if the Premier has given any thought in terms of concerns he might have around the competency of the minister to be able to handle this ministry. If the Premier looks at the problems he has with Transitions, the problems he has with the statistical juggling of successes out of Futures, the problems I have raised about natives not being served in the fashion they should be and now these latest figures in terms of the part-time work, part-time study option, does the Premier still have confidence in his minister?

**Hon. Mr. Peterson:** The answer to the question is yes, I do. There is no question about that.

**Mr. Laughren: Why?**

**Hon. Mr. Peterson:** I remember. I read the same article that he was quoting a week or so ago and I respect his opinion in that regard. I remember an article a year ago calling Futures a stunning success.

**Mr. R. F. Johnston:** It was quoting the minister.

**Hon. Mr. Peterson:** No, it was not. It was probably quoting some of the same people. That is maybe as valid as quoting the member on the other side saying it is a stunning failure.

I say with great respect to my honourable friend that when he raises points of substance in the House, as he has, I take those seriously. I value his contribution. If we can improve it, then we will try.

## INDUSTRIAL RESTRUCTURING

**Mr. Jackson:** My question is to the Premier, in the absence of the Minister of Skills Development (Mr. Curling). Can the Premier please enlighten this House as to what specific programs the government has with respect to dealing with the issues of plant closures in general, most notably, for example, the Firestone plant in Hamilton? Or, as the Premier and some of his ministers keep stating in this House that we are going to be having some layoffs as a result of a free trade agreement, what specific strategies does the Premier have in place or is he planning to put in place to address plant closures in Ontario? Or does the Premier believe this is entirely a federal matter?

**Hon. Mr. Peterson:** Let me just say with respect to the Firestone question that, as the member knows, the ministry was and has been involved for a long time. Talks are ongoing, and we are still hopeful that a sale can be organized. It will be to everybody's benefit; so it is not as if these things go on without our participation.

Before I arrived in the House this afternoon, there was an announcement with respect to the industrial restructuring commission. We think that is an important initiative. We believe that with or without a trade agreement, and probably accelerated with a trade agreement—at least the one that we have in front of us—there will be inevitable restructuring in our economy and there will be even more and other plant closures and rationalizations of some considerable worry to us.

What we want to do is work with industry. I will give the member a perfect example. A couple of days ago, the Woodbridge, Reed report was tabled in this House with respect to the forestry industry. It had some pretty tough things to say about the forestry industry. One of the things it said was that plant was substantially outdated.

One of the things we want to do is to work with that industry to make sure that in all aspects of the Ontario economy we are world-class competitors, that we are making the investments in technology and people to deal with the problems of the future. That is one of the things that the industrial restructuring commissioner will be doing, not only in that industry but others as well.



**Mr. Jackson:** It strikes me and probably strikes this House oddly that the Premier is prepared to sit down and talk with the federal government when the Firestone plant shuts down, but he is unwilling or unable to sit down and talk in a meaningful way with the government on the free trade agreement, let alone understand its detailed impact on our province.

My first question to the Premier was with respect to which programs he was doing and whether he felt it was his responsibility. During estimates of the Ministry of Skills Development two weeks ago, I asked the minister the same question on the issue of plant closures and he indicated that "the federal people will have to address these concerns." He felt there was no role here in Ontario for the Ministry of Skills Development, when asked the same question I just asked the Premier.

In the first week of August, the first week of the campaign, the Premier told the Firestone workers that he had a Transitions program in place with a financial support mechanism so they would have income.

**Mr. Speaker:** Question?

**Mr. Jackson:** He has announced his Transitions program of \$1.7 million and there are only 25 people as of two weeks ago on the program.

**Mr. Speaker:** Question?

**Mr. Jackson:** Thank you, Mr. Speaker, that is most helpful. The Premier knows full well that Ontario is going to experience some plant closures. When is he going to come out with specific programs to ensure income support and training, to ensure that workers, especially older workers, are provided with transitions to alternative employment in this province, instead of waiting for a restructuring commissioner?

**Hon. Mr. Peterson:** I think my honourable friend's personal difficulty in putting that question is in many ways symbolic of the difficulty his party is in. Here it is, standing up, championing a free trade agreement and then talking about all the layoffs that are going to ensue as a result thereof and saying we should do something about it.

**Mr. Brandt:** That has got nothing to do with it, absolutely nothing to do with it.

**Hon. Mr. Peterson:** Look at the difficulty. Here they are. Would you, Mr. Speaker, not think it is reasonable—

**Mr. Speaker:** Order.

**Hon. Mr. Peterson:** I have exercised the members opposite.

Would you not think it is reasonable, Mr. Speaker, and I appeal to you as a reasonable man presiding over this chamber, that if some individual through one stroke of the pen, legislative or otherwise, and I refer in this particular case to the Prime Minister, was going to wipe out potentially thousands of jobs across this country—

**Mr. Brandt:** The pen hasn't been stroked yet.

**Hon. Mr. Peterson:** Well, on January 2, it may well be. Would you not think, Mr. Speaker, it would be reasonable to ask that gentleman and his government what they had in mind for the people whose jobs they were going to take away? Would that not be reasonable?

You see what happened. Mr. Bouchard said 500,000 people would lose their jobs as a result of the free trade agreement. Mr. Mulroney said he was going to be very generous and help everybody with a transitions program. Mr. Wilson said the next day, "We do not have any money for that and we are not going to do anything." Who do you believe, Mr. Wilson or the Prime Minister? Obviously, they are saying very different things.

Now the Prime Minister has appointed M. Jean de Grandpré to head up an adjustment group, that is going to go and look at various things across the country, presumably. I am not aware of any new budget and so I say to you, Mr. Speaker, you cannot have it both ways. The Conservatives cannot stand up in this House and champion the cause of free trade and, on the other hand, not take responsibility for the people they are prepared to throw out of work in this province.

#### ASSISTANCE FOR PEOPLE WITH BRAIN INJURIES

**Mr. Morin:** I would like to address my question to the Minister of Health. I understand the minister announced that a special treatment centre for individuals with acquired brain damage will be established at Chedoke-McMaster Hospital in Hamilton.

A number of families in my constituency have faced the tragedy of brain injury. The initial injury itself is traumatic for the family, but in addition, services have not been available to provide follow-up care. Will the new treatment centre in Hamilton benefit brain-injured victims in Ottawa who require rehabilitation programs?

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**Hon. Mrs. Caplan:** I would like to thank the member for his question and acknowledge the role he has played in representing so well his



constituents. He has mentioned this to me on a number of occasions and made me very aware of the needs of the brain-injured and the insufficiency of the programs that existed in Ontario for some time.

The centre I announced last Friday at Chedoke-McMaster Hospital is the first of its kind in Ontario. It will serve as a provincial resource. It is based on the recommendations of the Acquired Brain Damage Committee. I believe it will go a long way to meeting the needs of his constituents. Chedoke will provide initial assessment and support to families in the communities when the individuals are ready to return to their community.

**Mr. Morin:** The number of brain injuries continues to grow. Will this centre be sufficient to meet the needs?

**Hon. Mrs. Caplan:** The centre, as I said, will provide treatment for those with most urgent needs in the province and those with very complex needs. It should be noted that this is not an acute care facility but rather a slow-stream rehabilitation program to assist those, and it represents the initial phase.

My ministry will be working with the Ministry of Community and Social Services and my colleague the Minister without Portfolio responsible for disabled persons (Mr. Mancini) to ensure that we have a network of services across the province.

#### INCOME TAX

**Mr. Laughren:** I have a question for the government House leader once removed, the present Treasurer of the province. The Treasurer is always saying how much concern he has for people who are living on low incomes in Ontario, but I should remind the Treasurer that as long as he only expresses concern and does not back it up with any action, those expressions of concern are really an insult to the working poor in the province, if not hypocritical.

Can I ask the minister, two days before Christmas, will he make an assurance that the working poor in Ontario who are at the poverty level will not have to pay any provincial income tax after the next Ontario budget?

**Hon. R. F. Nixon:** The honourable member is certainly to be congratulated for returning to this subject time and time again. I know he likes to get into the debate from time to time, and the fact that this is the only subject he is confident with is his problem, not mine, I guess.

The honourable member would know that in each budget I brought forward we have expanded

the Ontario tax reduction program, removing more and more of the low-income people, including the working poor, from the tax rolls.

We have also—and, in my view, we have done it in a very constructive way—improved our Ontario health insurance plan premium program so that many people are totally exempt, many more than before we took office. We have reduced the premiums for a large number of people as well.

These two programs have worked hand in hand to return some of the taxing pressures to the upper end of the taxing stream. At the same time, the honourable member will recall, we have placed a three per cent surtax on incomes over \$50,000, including his own.

**Mr. Laughren:** I will ignore the gratuitous insult of the former House leader of the government party.

Since the Treasurer said no, in that in the next five years under federal tax reform the revenues of Ontario will go up around \$600 million, by the Treasurer's own figures, as I recall, and in that as well if he were to impose a minimum corporate income tax in Ontario that alone would raise about \$300 million, could the Treasurer tell us, since removing everyone at the poverty level from the tax rolls in Ontario would cost approximately \$100 million, why he cannot trade off one of those with the other, bring in a minimum corporate income tax and at the same time remove all the working poor from the tax rolls of Ontario? He would still be money ahead.

**Hon. R. F. Nixon:** The honourable member knows that we have a capital tax in the province, which means that every corporation pays a tax on its paid-up capital whether or not it makes a profit. In many respects, this serves as a minimum tax. It is true that ordinary companies, often family companies with very small proportions and low capital, pay only \$50 or \$100, depending on whether they are in active operation or not; but many companies which do not have corporation tax to pay because of their commitment to expanding their services and the machinery they have and job opportunities, have their corporation income tax reduced under legislation which is designed to stimulate this sort of economic expansion.

We do have a minimum tax through our capital tax that we think is quite effective and, unlike the federal tax, it is not refundable.

#### MEAT PROCESSORS

**Mr. Villeneuve:** I have a question for the Minister of Agriculture and Food, the one from



Huron, not this one. Is the minister aware of companies known as Royal Dressed Meats of Guelph and Royal Consolidated Meats of Kitchener, and their financial track records of late?

**Hon. Mr. Riddell:** I always have difficulty ascertaining who is the real Tory Agriculture and Food critic, since two were appointed, the other being the member for Simcoe East (Mr. McLean). I am always wondering when the member for Stormont, Dundas and Glengarry gets up to ask a question, has he really consulted with the real agriculture critic, the member for Simcoe East?

**Mr. Speaker:** Response?

**Hon. Mr. Riddell:** Knowing that the member for Simcoe East does not support the remarks of the member for Markham (Mr. Cousens) on free trade—

**Mr. Harris:** Justifiably, I might add.

**Hon. Mr. Riddell:** —and the fact that we have to have 50-cent turkeys in this province, which would flush our turkey growers down the drain, I am wondering—

**Mr. Cousens:** Talk about turkeys.

**Hon. Mr. Riddell:** The answer to the question is yes.

**Mr. Speaker:** Well, we finally got to it.

**Mr. Villeneuve:** These companies' principal shareholders are Angie Ferraro, John Ferraro, D. Ferraro, among others. They have cost the financial protection fund of our province some \$750,000 this year, as well as costing farmers and drovers in Ontario and farmers and drovers in Saskatchewan and Alberta a lot of money. Will the minister ensure that these people no longer are in the meat processing business here in Ontario?

**Hon. Mr. Riddell:** After reviewing the entire situation, if indeed it appears that they are conducting business in a very unbusinesslike manner, then I will take the necessary steps, but to stand up in this House and say that I am going to do away with this processor and I am going to do away with that processor and some other processor, then the producers are going to come to me and ask who is left to buy our product.

Let me take into consideration all the facts before I give the member a definite answer on that.

#### HOSPITAL FUNDING

**Mr. Callahan:** It being the season to be jolly, I have a question of the Minister of Health. I ran in 1977, 1981, 1985 and 1987, and I ran

specifically for one purpose, because the Conservative government of the day and the then Conservative member of my riding were unable to fulfil a very necessary promise to my riding of a hospital.

**Mr. Jackson:** Put him in cabinet. Put him out of his misery.

**Mr. Brandt:** Are you speaking about the former Premier?

**Mr. Callahan:** That is correct.

Peel-Dufferin county, as a result of a decision of the Peel District Health Council, has apparently approved the establishment of a hospital north of our area. I would like to ask the Minister of Health, does this decision by the Peel District Health Council in any way, shape or form, affect the object that I ran for through all those years?

**Hon. Mrs. Caplan:** Let me acknowledge how tenacious the member for Brampton has been in advocating on behalf of his constituents, and acknowledge also his colleague the member for Brampton North (Mr. McClelland), I believe, who has mentioned this to me as well.

I am very concerned about how we do our planning within this province. I believe we have to look at the needs of communities and make sure they have the opportunity to participate in assessing the future.

The member already knows the extensive program that was announced by this government of some \$850 million in capital expansion. I am pleased to have his advice and look forward to discussing this matter with him further as we carefully review and respond to the needs of the people of his constituency.

1450

#### NURSING HOME BEDS

**Mr. Swart:** I would like to put my question to the Minister of Community and Social Services. He will recall that I wrote to him a month or so ago urging him to approve the conversion of 60 unoccupied beds in Niagara regional seniors' homes to extended care beds. He will also recall that he replied to me and to Niagara region that he would not give such approval.

He knows those homes already have the infrastructure to provide extended care, as they are already doing to many residents. He also knows there is a waiting list of over 250 people in the Niagara region for extended care beds. Does he not think it is rather silly to have 60 beds empty in those regional homes while at the same time there is an ongoing massive backup of people trying to get into active treatment beds in



the hospital which are occupied by extended care and chronic care patients?

**Hon. Mr. Sweeney:** The honourable member will be aware of the fact that several years ago the people in the Niagara region were asked to convey to the government their proposals for the best allocation of extended care beds in their region. Their proposals came to us. They indicated the need for a new home for the aged in the Fort Erie area and another new home for the aged in Niagara-on-the-Lake.

Both those requests were acceded to. That was the specific design of the people and the governments, the municipalities of that community. I think this government is being responsible when it listens to the people in that way.

**Mr. Swart:** I am glad to hear the minister say that he is responsive in this regard when he gets the request. I might remind him that 30 of those unoccupied beds are at Sunset Haven regional home in Welland.

Is he not aware that his own government's Niagara district health council called on his Ministry of Health just over a month ago to allocate 75 new chronic care beds at the Welland County General Hospital? That call was made because of the backup of people in active treatment beds. Does he not think it makes sense to meet this crisis, and it is a crisis, by first using those 30 beds in Welland, beds which are already there and could be put into service with, as his Premier (Mr. Peterson) would say, a simple stroke of his pen?

**Hon. Mr. Sweeney:** The member is perhaps already also aware of the fact that as part of this overall program for the Niagara area existing homes like Sunset Haven would be renovated and would be downsized, not upsized.

The member would also be aware of the fact that in the same general area there is also a request for extended care beds for the French-speaking community. That is also being attended to. There are still a few more details to be worked out, but a significant contribution on behalf of my ministry and on behalf of the Ministry of Housing has already been indicated.

I would say, compared to many other places in this province, that the people in the Niagara area are being well looked after.

#### WORKERS' COMPENSATION

**Mr. Sterling:** I see the Premier (Mr. Peterson) has left now, but I would like to extend to him a happy holiday season from my family. I certainly appreciate having next week off and time to spend with them.

I have a question of the Minister of Industry, Trade and Technology. I was walking over towards the ministerial suites in the Hearst Block the other day and I noticed a large poster, which said that the small business advocacy section works on behalf of small business. One of the things it says in that advertisement is that it helps small business with workers' compensation problems.

Can the minister tell me, in view of the fact that 80 per cent of small businesses have had no claims in the last two years yet have had an increase of premium from 20 per cent to 25 per cent, what has the small business advocacy section done for small business? Has it done anything?

**Hon. Mr. Kwinter:** The member asked this question in a different form once before and I have to give him the same answer. We are very concerned about the whole issue and how it impacts on small business. The Minister of Labour (Mr. Sorbara) is looking at it. We have already seen the report of the Canadian Federation of Independent Business and its concerns and we are addressing them.

#### PETITIONS

##### GOVERNMENT'S RECORD

**Mr. D. S. Cooke:** I have a petition to His Honour the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned, beg leave to petition the Parliament of Ontario as follows:

"Whereas the Liberal Party misled the people of Ontario in the recent election campaign by promising to give leadership that works and to continue the reform agenda initiated by the New Democratic Party in 1985, and

"Whereas the Liberal Party misled the people of Ontario into believing that they could use their mandate to stop the Mulroney-Reagan trade deal, and

"Whereas the Liberal Party misled the people of Ontario into believing that they could reform elementary education by budgeting \$300 million this year to reduce class size, and

"Whereas the Liberal Party misled the people into believing that they would guarantee lower auto insurance rates, and

"Whereas the Liberal Party misled the people into believing that they would reduce Ontario's dependency on nuclear power and make Ontario Hydro more accountable to the Ontario Legislature, and

"Whereas the Liberal Party misled the people into believing that they would crack down on industrial polluters, and



"Whereas the Liberal Party misled the people into believing that they would provide over 100,000 rental units to meet the housing crisis, and

"Whereas the Liberal Party misled the people into believing that they would take action to create jobs and diversify the economy of northern Ontario, and

"Whereas, instead of leadership that works we have instead the complete failure of the Peterson government to lead the province, as shown by the abject retreat from their commitment to stop free trade culminating in its wishy-washy, mealy-mouthed resolution that is rendered useless by sucker clauses; and as shown by its betrayal of education reforms by providing only 20 per cent of the promised \$300 million this year; as shown by kowtowing to the nuclear establishment; as shown by its actual reduction of housing programs in the face of a serious housing shortage; and as shown by the Treasurer's endorsement of the auto insurance industry's continual gouging of Ontario consumers, and

"Whereas, instead of leadership that is working, we have store employees working this Sunday, and

"Whereas instead of leadership that is working, we have a government House leader who cannot conduct the business of the House in an orderly fashion, and instead of leadership that is working, we have a government House leader who is flaunting his majority rather than respecting the rights of the minority, and instead of leadership that is working, we have a government that has failed to pass even one piece of legislation this session,

"Therefore, we, the undersigned, petition the Lieutenant Governor of Ontario to dissolve this House and allow the Liberal Party to run under its true colours, replacing red with pale blue so that they can seek a mandate that more honestly reflects its desire to preserve the status quo and which will allow them to endorse free trade, reduce education spending, increase our dependency on nuclear power and require this House to sit on Sundays."

**Mr. Speaker:** First, I would like to remind all members that when they present petitions, I have suggested on many occasions that they should leave out the "whereases" and put in the "therefore." Second, I would also remind members, for the future, that they are responsible for the petition by signing the petition; therefore, the member is really using those words. I would remind all members to be very careful with the wording in the future.

**Mr. D. S. Cooke:** On a point of order, Mr. Speaker: I agree that if we want to cut down our time used for petitions we can use the "therefore" section only, but there is nothing in the rules that prohibits us from reading the entire petition.

**Mr. Speaker:** I am not here to debate with the honourable member, I am here to try to uphold the traditions of this House and parliament in general, and therefore I am stating the traditions.

1500

## RETAIL STORE HOURS

**Mr. Cousens:** I have a petition addressed to the Lieutenant Governor of Ontario:

"We, the employees of the Canadian Tire in Cornwall, are greatly opposed to Sunday openings. This would seriously affect our family lives and our religious obligations. We feel that we do not provide essential services of a life-saving nature as do some stores, i.e., drug stores, therefore stores such as Canadian Tire should not be permitted to stay open."

## MOTION

## ADJOURNMENT OF HOUSE

Hon. Mr. Conway moved that when the House adjourns today, it stand adjourned until Monday, December 28, 1987.

**Hon. Mr. Conway:** I might add parenthetically that, by consent, we have agreed to adjourn at five o'clock this afternoon.

**Mr. R. F. Johnston:** I would like to speak to this motion, if I might, because it is a procedural motion which is in order to address. It allows me a chance to talk about why we are doing this and why it is necessary for us to consider this option, as a parliament, for the first time in the years I have been here and, I am sure, the first time that anybody who is sitting in this House has had a requirement to do. I am getting a shake of the head from a long-time member who recognizes that this might have happened at some time. I stand to be corrected by the member for Niagara South (Mr. Haggerty), because he has been here much longer than I.

I want to say, though, that in my view the only reason a House should sit is if it has important business to do at this time of the year and that otherwise we should spend our time with our families and allow the people who work in this assembly to spend their time with their families, whether they be the clerks of the House, members of the press gallery, translators, kitchen help downstairs or whoever it is we are now going to abuse, essentially, because for reasons



of a procedural wrangle, in my view, we have now decided that it is necessary to sit in the week between Christmas and New Year's.

It seems to me—I know it is not right to impute motive, and I am not trying to do that; I am suggesting—what we have here is a government which is trying to exercise its will. It is trying to basically show the opposition that, with its 95 members, it has absolute control over the House and it has the right to do as it chooses.

As a result, we are in the preposterous position of having a committee struck to deal with the question of free trade in detail. We have the government sending off a resolution, which is now stated as government policy and is therefore, one presumes, unamendable by members of this House and by the committee. They are sending that resolution not only to the Prime Minister of our land but also to the American ambassador, indicating that this is the policy of this House. Although the Congress of the United States has decided that it is not going to adhere to a strict January 2 deadline, this government has decided, for one reason or another—and God knows what the real reason is behind it—that we, as a Legislature, must pass this selfsame resolution, unamended, by January 2, and that is why we are all being kept here.

It strikes me that this is not good reasoning. It is the kind of dangerous decision by a government House leader that can lead to acrimony of a very deep-seated nature. It is a very emotional time of the year in general for people, who want to be with their families, spread as they are across the province, and who do not get much time to be with them. It is not the kind of thing that is going to win friends in terms of how this House operates.

There are many members here who were not here during the days of minority government. I will just tell them that if they should look at what we accomplished in terms of co-operation between the parties in the first session of minority government in comparison with what we have done this fall, we have not one bill passed in this Legislature this fall. The members really have to ask themselves why that has taken place.

What the government is setting up, and why I really want to question the reason for having this motion for sitting next week at all, is the possibility of structurally confining the actions of this Legislature to minimalist action. If they want to push this through at this point, when there seems to be no real reason to do so, they are basically going to say to us as opposition, "We can trample on you with our 95 any time we

want, and that is the lesson we are trying to teach you here." As a member elected by my constituency to reflect the views which my party and I laid out to it during the election, I will not stand for that.

I believe I have a right to speak. I believe I have a right to represent my views. Just because there are 95 members of the government in this House, it does not give them a right to start to change the way this place works to suit their convenience, which is essentially what is happening.

Just yesterday this party, which feels slightly caught in the middle of the debate taking place between the government and the Conservative Party, tried to provide a way out of the impasse between the desire of a minority to have adequate debate and a government to meet its own timetable.

**Mr. Mahoney:** On a point of order, Mr. Speaker: I was under the impression that in this House one is not allowed either to make interjections from somewhere other than one's own seat or to speak from somewhere other than one's own seat. I point out that the honourable member is speaking from the microphone of the member for Algoma (Mr. Wildman).

**Mr. Laughren:** Don't be so silly.

**Mr. Mahoney:** I just noticed it.

**Mr. Speaker:** Order. The point was made. I noticed it myself. I know the member will continue from his own seat.

**Mr. R. F. Johnston:** I have a tendency to sway back and forward as I speak, as members will notice. Now and then I infringe on the member for Algoma's space.

**Mr. Harris:** But never on the issues. He never strays on the issues.

**Mr. R. F. Johnston:** But never on the issues. That is true.

**Mr. Runciman:** He is a real swinger.

**Mr. R. F. Johnston:** I still have my moustache and so does the member at this point.

I think it is important, if we are going to maintain this kind of jocular capacity to interact as members, that members understand the gravity of what is now beginning here in terms of the government's position and intractability on this matter. I was not in the House in the days of Mr. Winkler—he was Conservative House leader, as I recall—but members here were and understand the kind of confrontational attitude that developed in the House during those days of the Tory majority. That is not always the way things have operated in majorities, and it is not



required performance for governments to become intractable. I would remind the House leader of that.

As I was starting to say before the member noted that I had swayed from my seat, we, as a party, moved an amendment to the government motion yesterday. We proposed it, that is, behind the scenes, as is done in this House between the House leaders, to try to find some means of getting this government to stop being so intractable on an issue where it did not require us to be here for January 2 at all, but only because it wills us to be here, as it decided that should be the case.

Unfortunately, the government chose to ignore that reference of the entire resolution, which it has moved, to the committee for its consideration, therefore allowing us to get the other business of the House done in the meantime.

From this side, I have no idea why that happened. I ask the members on the government side to think about how we react to this. From our perspective, we can only see this as bullying. This is the government's desire to have its will forced on us. There is no requirement for it to have this resolution passed before January 2, except its desire to have it so done. It has now stated firmly through the Premier in letters that this is government policy and, therefore, it is not going to be amended. It has 95 seats in this House—94 and counting—with which, when the vote is taken, it can ram this thing through.

The government has the capacity to force this through when the vote is taken, but it does not have the capacity, under our orders, to determine precisely when that moment shall be, because we, as a minority in the House, have a right to express our dissidence. What it is doing is expressing a government will, which it has already done, nationally and internationally now. So it is done.

**1510**

As vacillating as that particular resolution is on the matter of free trade, the government has taken that position and enunciated it as government policy. Now it is saying to us, as the opposition, that we must sit here over the Christmas period, that the people in this Legislature must sit here over the Christmas period, away from their families, because it for some obstreperous reason wishes to have a vote taken on this prior to January 2.

That is all that is happening. It does not need a vote. There is nothing that requires a vote for it to make its government statement, which it has already done. There is no reason for it to

emasculate, if I can use a sexist term, a committee the way it is doing by basically saying this is the position and whatever the committee finds out means nothing. There is no reason for having that committee at all if the government is only going to make declarations by fiat and then demand that by a certain time this be passed by this House in compliance with its grandiose designs.

I would suggest that the government House leader should think seriously before he asks us to agree to this motion and might consider instead, as a minimum—because I know he is so intractable on this matter that he is going to require us to be back some time next week—that he take into consideration a little bit more the needs of the families of members and the families of people working in this Legislature and accept the following amendment, which I will now move.

**Mr. Speaker:** Mr. R. F. Johnston moves that the motion be amended by striking out the date “Monday, December 28” and replacing it with “Tuesday, December 29, 1987.”

I do not want to break your train of thought. When the original motion was put, I believe the government House leader did state there was some consensus that this House complete its work today at five o'clock. I omitted to ask if there was unanimous consent for that.

**Hon. Mr. Conway:** That was the view this afternoon, but I have heard and seen things in the last five or 10 minutes which make me really wonder whether that is the case, so I am really going to need some guidance.

**Mr. D. S. Cooke:** There was a discussion in the House leaders' meeting this morning and a request from our party that some of us who are from out of town do not have the options of flights that are available to larger cities, like those who have to travel back to Ottawa, and there was an agreement that we would adjourn at five o'clock. There were no conditions placed on that. We are discussing a motion, and I do not understand what the government House leader is talking about. As to whether we adjourn at five, we will certainly consent to that, and I know the Conservative Party expressed support of that. Is the government going to consent or not?

**Mr. Cousens:** If I can speak for our House leader, it has certainly been the agreement from our side that we would retire at five o'clock this afternoon.

**Hon. Mr. Conway:** I think I have a very clear memory of what transpired at our meeting earlier



this afternoon. What concerns me, quite frankly, for my friend the member for Windsor-Riverside (Mr. D. S. Cooke), is that I have seen reports of that meeting in the name of the member for Nipissing (Mr. Harris) which are at complete variance with other aspects of that meeting as I remember it.

We had a discussion about next week's sitting. This debate at the present moment is interesting and again spirited. Of course, I want to accord with the understanding I thought we had for a five o'clock adjournment—and that is still my view, I want to make it very clear—but I repeat, I am hearing and seeing things in these last five or 10 minutes which really make me wonder about the meeting we had earlier this afternoon.

**Mr. Speaker:** I am sorry to create any disturbance. However, I am sure all members are aware of the standing orders. Therefore, this House sits until six o'clock unless there is general agreement, unanimous agreement or a motion put that we close earlier. I just wanted some clarification because I felt the House could not adjourn without a motion or unanimous consent. Is there unanimous consent?

Agreed to.

**Mr. Speaker:** We have an amendment placed by the member for Scarborough West (Mr. R. F. Johnston). The member may wish to make some comments on the amendment.

**Mr. R. F. Johnston:** Briefly, I realize that we are going to have to have the act played out the way the government has demanded it. There is nothing we can do as an opposition, particularly, to change that. But I do think that by altering the amount of time that is available, we can at least allow families to have that Monday off, those people who support us so efficiently in this Legislative Building, and our own families, so that we can spend that day with them and then return on the Tuesday to deal with the business, if that is what the government insists. That is why I have moved the motion.

**Mr. Laughren:** I rise in support of the amendment to the government motion by my colleague the member for Scarborough West. It is truly strange that we are debating this particular motion and the amendment by my colleague, given the overwhelming wish of the government, as I gathered from chatting it up in the corridors with Liberal back-benchers and the odd cabinet minister that the one wish they had as we started this new government was that they not be seen to be arrogant, complacent and exercising

their power in the way the Tories did, as I recall, back in 1971 and again in 1981.

I think the expressions by the back-benchers and the cabinet ministers were sincere. At the same time, we witness the spectacle of the government House leader and the government whip going around and bolstering up the morale of all the Liberal back-benchers, saying: "Look, gang, we have to stay here. Do not forget now, we are all in this together. It is not our fault. It is those dastardly Tories who are doing this to us."

It is not the dastardly Tories who are doing it to them. They are doing it to themselves. That is what is happening. Nobody else is doing this to them. We are not.

**Mr. Mahoney:** Feels good so far.

**Mr. Laughren:** I am sure it does. The exercise of power always feels nice to those who are exercising it. Someone once said that power corrupts and that absolute power is even better. When I look across the way, that is what I think of. The government does not have absolute power, but with 95 members out of 130, it is pretty close to it.

**Mr. Mahoney:** If we wanted, we would go home.

**Mr. Laughren:** No. What the government really wants is to deny the opposition its traditional rights in this assembly. That is really what it is coming down to.

Let me take members back a little bit, and I am sure my colleague the member for Windsor-Riverside will correct me, as will the member for Nipissing.

At a House leaders' meeting on a Thursday, the government House leader indicated to the other two House leaders that for the business of the next week there would be a motion to refer the free trade question to the standing committee on finance and economic affairs, period. That was it. It is in the minutes. If back-benchers have not seen the minutes of that House leaders' meeting, they should come over and we will give them to them. They may not have been distributed to the members by their own front bench.

That is all that was done. The following Monday night—correct me if I am wrong here—there was a House leaders' dinner, where they are supposed to talk things over and perhaps even make any kind of amends for past slights. It is a tradition that at Christmas time the House leaders go out and have dinner, talk some business and perhaps get to know each other even better. At that meeting, the government House leader distributed the substantive motion that condemned free trade.



There was no consultation with the other House leaders. What does he think we are here for? Why have we set up a structure here so that the two opposition parties have House leaders and whips? Because we believe very strongly that there must be consultation among the three parties. There was none.

It was laid on the two opposition parties. The government not only wants the referral, it says "We insist on having this substantive motion that condemns free trade." How did the government House leader think the Tories would react to that? They are in favour of free trade. Why in the world would they ever support a condemning motion from this assembly? Why would they do that?

I respect the position the Tories have taken on this. I respect the way they have dug in their heels and continued this debate. If I was in their position, I would do the same thing, only perhaps not in as civilized a way.

1520

**Mr. South:** We are now testing their sincerity.

**Mr. Laughren:** The members of the Liberal caucus may think that the opposition is not being sincere, that there is some kind of game going on. They should ask themselves why their government House leader had to have that substantive motion when the matter was being referred out to committee. They should ask, why would their government House leader demand the substantive motion condemning free trade if he was not just trying to stick it in the ear of the opposition? That is all he was trying to do.

I do not know—perhaps somebody else can clarify it for me—whether this gem of an idea came from the fertile mind of the government House leader or whether it came from other fertile minds in the environs, perhaps elected, perhaps not elected, but it was the wrong thing to do.

The stage was set when the government tried to impose a substantive motion on the other two parties. Then you would think: "OK, those things happen. Why could we not work out a compromise?" My colleague the member for Windsor-Riverside proposed a very reasonable amendment. The House leader for the Conservative Party, the member for Nipissing, had three suggestions as recently as yesterday. He proposed three things. I am sure the member for Nipissing would not be offended if I read into the record the three suggestions he had.

**Mr. Harris:** I wish you would. I can't find my copy.

**Mr. Laughren:** OK. This is what the member for Nipissing proposed to the government House

leader. "We would ask that you consider the following: One, adjourn the debate on the government resolution without a vote," the substantive motion. "Two, refer the matter to the committee on finance and economic affairs, as was originally agreed to." Do not forget that. That was originally agreed to. "Three, proceed with the balance of business which we agreed to at the House leaders' meeting of December 10. I believe this would allow the House to conclude the business which you indicated was necessary before the end of December."

That surely is not an opposition that is digging in and playing games and posturing. It is an opposition that wants to make the system work too.

The whole thing is ridiculous. The member for Windsor-Riverside proposed an amendment as well. This is the wording of the amendment. "However, as it is the Legislative Assembly's determination to permit the widest possible consultation on an issue of this importance to Canada, and as it is the prerogative of the Legislative Assembly of Ontario to examine the proposed agreement in detail and to seek representations from the people of Ontario concerning its impact on the economy of the province, therefore sessional paper 108 and this resolution are referred to the standing committee on finance for report to the assembly."

If I could cut through some of the legalism of that proposal, what it is really saying is to send both the substantive motion and the referral out to the standing committee on finance and economic affairs. What in the world is wrong with that? It is not even saying we are so offended by the substantive motion, which condemns free trade, that we do not even want that sent out. It is saying: "It is there. Send it out to the standing committee on economic affairs."

The government House leader is telling us, I guess, that both the New Democratic Party House leader's proposals and the proposals of the member for Nipissing, the Tory House leader, are unacceptable; that there is no middle ground, only their ground.

I want to tell the Liberal back-benchers who are facing the next four years that they are going to have a much tougher time in 1991 than they had in 1987. The one thing—I do not normally give friendly advice to government—I would remind them of is that the albatross that will be most heavy to carry around their necks will be arrogance and incompetence.

Let me remind them that if they are perceived out there, all across Ontario, as being arrogant



with their 95 seats and as being incompetent in the running of this assembly, it will not stand them well. They will have a lot to answer for and they will not have been responsible for any of it—the front bench will have been—but they will pay the price; they are the ones who will pay the price, not the front bench.

Combine arrogance and incompetence and you have a deadly mix for any political party. That is the direction in which they are heading. Arrogance of power, imposing their will on the opposition, refusal to negotiate and the incompetence of the way in which it was done; completely incompetent.

I do not really care whether it was the House leaders who did it or the Premier's office that insisted on it, the result is the same. The Liberals got themselves into a mess and they will not back down. They do not want to blink first. It is high noon in the Ontario Legislature. They are all so macho, are they not?

Interjection.

**Mr. Laughren:** That is what I like to hear. I like to hear the Minister of Natural Resources (Mr. Kerrio) telling us to get down off the box. I like to hear the Minister of Labour (Mr. Sorbara) standing in his place and saying, "You may not like it, but we have 95 seats." Keep on talking like that.

I would remind the members once again that it will not be the front bench that pays the price, it will be the back bench. That is the way it works in the province of Ontario. This whole thing was completely unnecessary. The government will have accomplished zip. It will have accomplished absolutely nothing.

If the Liberals think for a minute that the Tories are isolated in this fight, they are dead wrong. We support them in what they have done, because they are right to stand up the way they have against this substantive motion. Does it not tell the government something that we are together on this? The Tories, who are opposed to the substance of the motion, support free trade; we are opposed to it and did not think it was strong enough, but here we are together in this battle. Does that not tell the government something?

Interjections.

**Mr. Laughren:** Sure, chalk it up to politics making strange bedfellows. That is fine. Chalk it up to whatever you want, but think about it at the same time.

I expect the member to make the snappy interjection. That is what he is there for. He is there to prop up the front row and support it with

his snappy interjections. Not to mention the Minister of Natural Resources, who needs more propping up than most.

I do not want to delay the debate unduly, but I want to tell the government that the member for Scarborough West (Mr. R. F. Johnston) has moved this amendment so that we will come back on Tuesday instead of Monday, because we believe it is total nonsense. The game the government is engaged in is total nonsense. It is going nowhere. We will be here, the Liberals will be here, things will get done, but it is all for naught.

The Liberals should ask themselves what they have accomplished with this stupidity and incompetence. I forgot arrogance, because that is really what it is coming down to. They should ask themselves what they have accomplished. Better still, they should ask the government House leader what all this has accomplished.

**Mr. Harris:** I understand that I have to speak to both the amendment and the motion at the same time. I believe that is the rule, once both the motion and the amendment have been put before I have an opportunity to speak, so I shall speak to both. Am I incorrect in that assumption?

**Mr. Speaker:** I would like to inform the member, who is very familiar with standing orders and rules of debate, that a motion was put. There is now an amendment changing that motion and we are debating the amended motion.

**Mr. Harris:** I can concur. I gather from your ruling—and I do seek clarification—that after the amendment has been dealt with and voted on, I will have the opportunity to rise again and speak to the motion.

**Mr. Speaker:** That has been the common custom since the beginning of time.

**Mr. Harris:** I appreciate that clarification, Mr. Speaker. I will try to keep my remarks to the amendment, recognizing that it is amending a motion and that I may have to tie the amendment in.

1530

A lot of what I would like to have said has been put on the record. I know that my colleagues the member for Nickel Belt (Mr. Laughren) and the member for Scarborough West have both addressed their remarks particularly to the back-benchers on the government party. I think it is particularly appropriate today; I do not know if they noticed they were in good attendance.

I do not know if they also noticed that Bill 51, which had a topnotch government priority, did not proceed today, and therefore will not be in



effect for next Sunday. I am not exactly sure why, but we heard the Solicitor General (Mrs. Smith) indicate that it was our fault, the opposition's fault, that it did not proceed.

They must understand, since no one has explained to them in their caucus meetings how the House works, that we cannot order the business; we can only respond to what has been ordered by the government House leader. There was absolutely no reason why Bill 51 could not have been proceeded with today in fairly short order, and then we could move on to the free trade debate.

I suspect the reason is that while all the staff in this place is here working, the minister responsible for the bill is vacationing in Florida. I suspect that is why we are not proceeding with Bill 51 today to protect the employees on December 27 around this province. It is a little more important for the minister to be in Florida than it is to be here to proceed with the legislation so that it could have been enacted before December 27.

**Hon. Mr. Conway:** On a point of order, Mr. Speaker: The member for Nipissing is inquiring about the whereabouts of the Minister of Industry, Trade and Technology (Mr. Kwinter). He has had to step out for a few moments. He is expected shortly.

**Mr. Harris:** Thank you very much, but on this occasion I was not; I was referring to the minister responsible for Bill 51, who of course is the Minister of Labour (Mr. Sorbara), who I suspect is in Florida, unable to move third reading, unable to get the bill passed to protect the employees for next Sunday.

I want to indicate that we will support the amendment that brings this House back next Tuesday. I share in the concern of my colleagues in the New Democratic Party that we see no logical reason why this House should be here this week or next week, unless it was to deal with Bill 51 or with interim supply or with these other matters. Those matters we could understand, and for about three meetings of House leaders, we worked very hard and very diligently to plan the business, to limit debate on some, to figure out how long it would take to accommodate the government and to agree as to what we would do and how we would do it so that we could adjourn December 17 yet still meet the government's time line.

We did that on the Metro Toronto bill. We agreed that we would sit in January in committees, we agreed to come back in February so that could be passed and implemented and we could proceed with elections and the new boundaries in

Toronto. We agreed on conflict of interest, which the minister, for some reason or other, thinks is very important. I am not sure why; it is a little bit like this one, although we agreed to accommodate in every way we could. As for the conflict of interest bill, as I understand it, the cabinet members and the parliamentary assistants are operating under it now. So it is only the private members of all three parties where there seems to be some urgency, yet it is the private members of all three parties who are not being consulted. Members should ask themselves that as well. We accommodated that bill.

Then we had insurance; they said in the election, "There will be no increase." Once the election was over, it went up five per cent and we are going to get into regulating insurance rates, really, we feel, totally socializing the whole industry, something we feel very strongly about and we oppose, but we agreed. We said, "Look, we will limit debate, we will let it go to committee, we will guarantee it will pass in February." So we were very co-operative.

The free trade issue was one where there was going to be one day's debate on a referral motion to send it to the committee to study. We agreed to that. Everything was going along hunky-dory. There were three or four House leaders' meetings over a period of three or four weeks. With respect, I believe the House leader of the government party was sincere in the negotiations right up to the point where the Premier said the weekend before last:

"Hey, I am losing here. I am losing this battle. Nobody believes me any more. I said in the election I would stop this deal and now I cannot stop this deal. I have not got this and I cannot do that. The press is turning against me. I have to do something. Maybe my House leader negotiated in good faith, but I have to do something different. I am sorry, House leader, but stick this resolution to the opposition. I know it was not agreed upon a week, two, three or four weeks ago, but I am having a political problem out there. You must tell my back-benchers that I blew it, but I need you now to try to help me salvage something."

That is why we are here. I want the members to understand what this is in the resolution. When we finally pass a resolution in the House, we must understand what it means. It means that it need never come back ever again. The government can say, "No, no, we will provide another opportunity to debate." Do they expect us, if the situation changes three months from now or six months from now, to believe that is what will



happen? When this vote takes place, it is finished. Free trade is over and done with in this Legislature if that is what the government with 95 seats wants. We do not order the business.

I started my remarks with that so the members must understand that we will never again have another opportunity to debate free trade. This is it. We are being asked to do it. It is a resolution. But I would like the members to think of what happens with a bill. If a bill comes forward, we have first reading, then we have second reading on a bill, where it is debated. It then goes out to committee if there are any changes, or for study or if any public input required. Then it comes back for third and final reading.

What we have been asked to do here is as if we had the first, second and third reading, all finished, tout fini, that is what the Legislature has done, that is enacted into law, that is it. Now we will send it out to committee to see what the public thinks. Can the government not understand what that does to the opposition parties? Can they not understand why we think they are being arrogant? Can they not understand, given that chronology of events, that if we agree to it we might as well go home for four years?

We were not elected, my friends, to stay at home for four years. That was not our role. When we started out in the campaign, we did not start out to be in opposition, I might say, but that is what happened. That is now our role. That is the role of the New Democratic Party, that is the role of the Conservative Party. I do not think the members ought to be the slightest bit surprised in spite of what the front bench has told them as to why we are here this week and why we will be here next week.

I want to talk specifically about the amendment to the motion to bring us back next week. Say it is Tuesday. The members know we do not agree to coming back next week anyway. We think it does not make sense. We are being forced to debate something without hearing from the cabinet committee, which has not even reported yet. We still have not got all the documentation from some of the ministry studies, yet we are being asked for a final decision.

This amendment specifically says Tuesday. Saturday is Boxing Day. Monday is a statutory holiday for the staff but not for us. Quite frankly, it does not bother me to be here on Monday. I guess when this plays itself out I will be here. It does not bother our members. It bothers our families, but when we go into politics these things happen and they are very understanding or we would not have run in the first place.

1540

But there are another 1,000 or so people who are affected. My understanding is that they have been told by the government: "Whether you have made travel plans, whatever you may have planned for what you thought was going to be your holiday on Monday, forget it. We are going to give you your holiday tomorrow and then you have to work Monday. You are not going to even get double time." That is what the employees have been told. That is what the security officers have been told.

One would have thought that to work the Boxing Day holiday, which is Monday, December 28, that if there were a really urgent reason why we should be here—and there is not; there is no logical reason to be here, because this vote is not going to come to a conclusion until some time in January, maybe February, but even if there were—one would have thought the government would at least have had the decency to say: "There is an emergency. We need the staff here. You have to be here. We need the security staff." You would have thought they would have followed the normal rules which say, "You will be here and we will pay you double time," or whatever the rules say; maybe it is double time and a half for that day, but I am not sure.

No. They have been told: "Take off the day before Christmas and be here and work for regular pay next Monday." I guess the arrogance is creeping down, if you like, into the way this government treats the employees of this chamber as well: "Cancel your holiday plans. Lose your deposit. Lose your refund. Too bad you planned this."

The precedent has been set now. One cannot even plan for Boxing Day off around this Legislature. If there were an emergency, I tell the members, the employees of this chamber, of this Legislature, who make this place function, in my experience would be the first ones to say: "We'll help you members. We'll be there. We're there through thick or thin. We're there when you're silly and stupid." I am sure they say that in the back rooms; they must, some days. But I know they would be here.

This, having them coming back on Monday, is rubbing it in their faces. Telling them to take tomorrow off, "Tomorrow will be your Boxing Day, not Monday, so we don't have to pay you double time," that is taking their faces, when they are already in the mud, and stomping up and down on them. That is the type of arrogance that those of us in the opposition have been subjected to in the last little while.



I think it is important that maybe the front bench, who are not privy to some of the conversations but certainly those who are new here, should understand. I want to associate myself with the comments that were made by the leader of the New Democratic Party today before he left, when he said that it undoubtedly is the worst case of arrogance, of government bullying, that he has ever seen in his legislative career, both in Ottawa and in Ontario.

I can only speak for 1981 forward, and I would not be one who would say there may not have been examples of my own party, when it was governing from 1981 to 1985. I am sure there were. But as the member for York South (Mr. B. Rae) pointed out, never in the time he has been either here or in Ottawa have we seen the type of stupidity and arrogance that has been demonstrated around this chamber in the last couple of weeks.

We will support the amendment put forward by the member for Scarborough West.

**Hon. Mr. Conway:** I very much appreciate the opportunity on this day, December 23, to make some remarks because, among other things, I do not get the opportunity now, outside of reporting on a variety of routine matters, to engage in debate and I really appreciate the opportunity to say some things this afternoon, particularly because I have had the opportunity to listen to the interventions of some of my very good friends here.

I really want to say that I very much appreciate the opportunity to hear my friend the member for Scarborough West, to look at his amendment, to reflect upon the comments made by the member for Nickel Belt and, of course, to carefully assess the words of the member for Nipissing (Mr. Harris).

It gives me an opportunity on this day to state something of the government's case. I want to begin by saying that I like to think that, unlike anyone else who has participated in this debate and in this current business, I have had the opportunity to have experienced both sides of this aisle. Not too many months ago, I remember talking at some length with a very distinguished former member of this assembly, Tom Wells, the former government House leader, with whom I engaged in one of these battles back in 1981. So when the members opposite make the case about the need for sensitivity on the government side, I want to say to them that I know whereof and what of they speak.

When I observe and when I feel the activities of the third party, as I have over the last few days,

I have to say to my friends on the government benches that I know to some real degree whose script they are reading. I know whose script they are reading and I know what kind of parliamentary tactic it is in which they are engaged, and I want to say I am more than passingly respectful of that activity.

Just for a moment, I want to reflect upon the developments, as I recall them, of the last few weeks. I will say to my friends on the government bench, I am, of course, in early days—as the member for Nickel Belt would say—in my role as government House leader. When the member for Nickel Belt on this day, on the eve of Christmas, invokes the ghost of the former member for Grey South, I have to say to my friend the member for Nickel Belt that is a sting for which there is no equal. He has cut not just to the bone but also to the very marrow.

**Mr. Mahoney:** To the quick.

**Hon. Mr. Conway:** To the quick, as the member for Mississauga West parenthetically observes.

But I want to ask my friends in the assembly, what is the government's view? What is the government House leader's memory? As I said in an earlier interjection this afternoon, there have been things said and things written this afternoon which disappoint me deeply, which will, I say to my friends the member for Windsor-Riverside (Mr. D. S. Cooke) and the member for Nipissing, bring about a very new protocol in the House leaders' panel.

I am deeply, deeply disappointed about some of what has been written and some of what has been done, but I am a reasonable person and if for no one else's benefit, than for the benefit of my friends, the member for Nickel Belt and the member for Scarborough West, I am going to be reasonable. But I want to state the case, because a lot has been said.

It has, of course, to be said at the outset of any majority parliament that an opposition, as I well remember, will see what it sees, will read what it reads and will feel what it feels and there is nothing within human competence that is going to change its perception and its sensibility. I understand that. There is an important parliamentary dialectic at work and there is a very significant political reality at play. Let me be the first to make that obvious.

But the leader of the government has said repeatedly that the trade question is the most important issue facing this province and this nation in this year of 1987, and we have not at any time disguised that view. We, of course,



expected the final text of the free trade agreement from Messrs. Reisman and Mulroney at a much earlier date than Friday, December 11, the date on which it finally arrived. For that and for the timetable that will see the agreement signed by the Prime Minister of Canada and the President of the United States, we in the government of Ontario are, of course, not responsible.

**1550**

It is true that over the course of the meetings that we held in the fall of this year at the House leaders' panel we talked about getting that final agreement and what we would do with it. It is also true to say that in the course of the early weeks of this fall session, I think there was a relatively fair degree of consensus. Oh, yes, there had been some difficulty. I had been told about certain issues before my arrival on September 29 having to do with some of the more mundane matters about which House leaders deliberate on a weekly and sometimes daily basis, but I well remember in the opening days of this session a variety of calls for emergency debates that were acceded to.

I remember a number of other occasions when very legitimate requests for a variety of things were sought and, in most cases, I think they were acceded to. My memory of that meeting on December 10 is as follows: I lamented the fact that the final agreement was still not in our possession and that the government would not be able to finally decide the case until we had the agreement, long overdue.

I anticipated that there would be either a resolution or a motion that would allow the Legislature the opportunity to debate the question. The leader of the New Democratic Party in the House this afternoon shakes his head disapprovingly. I am not here to recall his memory. I am here to put on the record my memory of what I said and did.

**Mr. D. S. Cooke:** And distort the facts.

**Hon. Mr. Conway:** The member will obviously regret that remark because it is not in the spirit of Christmas.

**Mr. D. S. Cooke:** That is not what happened and you know it.

**Mr. Speaker:** Order.

**Hon. Mr. Conway:** I just have to say for the government that on December 10, I regretted that the agreement was not with us and said that we were expecting it shortly—again, there were no commitments because weeks had passed and previous deadlines had passed that were not met—and that I expected that the Legislature,

which was then planning to adjourn on Thursday, December 17, would want to discuss the matter and that we would have a resolution or a motion, the substance of which I did not have—and I said at that time I did not—but that would depend on the final agreement.

The final agreement arrived on the following day. Over the weekend, the government carefully looked at that agreement and on Monday, standing in his place in this chamber, the Premier (Mr. Peterson) made a statement in which he said there would be a resolution to be debated in the House later in the week.

I remember, by the way, that on the morning of December 10, the House leader of the New Democratic Party said that the Leader of the Opposition (Mr. B. Rae) would be away in Washington on December 13 and that if any debate were to be arranged, it ought not to be done while the Leader of the Opposition was away. I thought that was a perfectly valid request and it was acceded to.

Later on Monday, December 13 when the final text had been reviewed, a resolution was prepared and shared with my friends in the opposition. We then indicated that we would be proceeding with a debate.

I want to just stop at this point and reflect upon what it is we are dealing with here. This is an important issue; very important business. I ask my friend from Halton, or the member for York East (Ms. Hart) or the member for Parkdale (Mr. Ruprecht), if there is anyone in this chamber or if there is anyone in the province who does not know where the parties stand on this issue.

I do not believe there is. I think it is quite clear where the Peterson government stands with respect to the agreement. I think it is quite clear where the official opposition, the Ontario New Democratic Party, stands with respect to the opposition and, as of last week, it is absolutely clear where the third party stands in respect of this agreement. The emergency motion request that the member for Sarnia (Mr. Brandt) put before this chamber a week or so ago made absolutely clear where the Ontario Tory party stands, so I think I fairly represent that as reality.

Against that landscape, against that backdrop, we have had a very lively debate. We have had a very interesting debate.

**Mr. Cousens:** Why hasn't the Minister of Agriculture and Food (Mr. Riddell) spoken to it? Why hasn't the Minister of Culture and Communications (Ms. Munro) spoken to it or the Minister of Industry, Trade and Technology (Mr. Kwinter)? Why hasn't it been released before?



**Mr. Speaker:** Order.

**Mr. Cousens:** Why haven't you tabled all the stuff?

**Mr. Speaker:** Order.

**Mr. Cousens:** It is hard to sit and take.

**Mr. Campbell:** The truth hurts.

**Mr. Cousens:** No, it does not.

**Mr. Speaker:** Would the member for Markham contain himself? I asked earlier if any other members wished to participate. The member did not offer at that time. Would he remain silent, please?

**Hon. Mr. Conway:** In a conciliatory way, I say to my friend the member for Markham—

**Mr. Cousens:** Keep them quiet when you are talking, Mr. Speaker.

**Mr. Speaker:** Order.

**Hon. Mr. Conway:** The member for Markham sits there like Cicero, the accusative case, pointing.

**Mr. Cousens:** Don't you start talking about accusing. Come on, you said you were going to table it. It is not there. Don't hold yourselves up as being saints. You are not.

**Hon. Mr. Conway:** In the most conciliatory way I can, I want to review very quickly what the research of the last five or six days suggests, because I think we have to look at what kind of debate we have had. We have had an interesting debate.

My research tells me that the Minister of Industry, Trade and Technology spoke to the resolution. The member for York South, the Leader of the Opposition spoke over two days for something very near to one hour and 45 minutes. The Liberal member for York Mills (Mr. J. B. Nixon) spoke for roughly 25 minutes and the member for Sault Ste. Marie (Mr. Morin-Strom) spoke for a little over half an hour.

I note as well, however, that the member for Cochrane South (Mr. Pope) and the member for Markham have spoken in this debate. In the case of the member for Cochrane South, who is not with us today, he spoke over three days for a total of four hours. The member for Markham, who has recently interjected as to why others have not spoken, might find, in part, the answer is that he spoke over two days, for three hours and 25 minutes, as is absolutely his right.

So we have had now some five days of debate, over 11 hours and 55 minutes, in which there has been a rather thorough if not an absolutely complete ventilation of the views of members of the assembly.

I just come back to the point I was making earlier. I think it was my friend from Pembroke via Scarborough, the member for Scarborough West (Mr. R. F. Johnston), who observed earlier that we have to accommodate the opposition. He is absolutely right.

At our meeting earlier today, for example, the member for Windsor-Riverside (Mr. D. S. Cooke) who is, in my view, a pretty reasonable fellow—I can imagine a couple of his predecessor House leaders with whom it would be somewhat more difficult to deal. The member for Nickel Belt imagines similarly.

**Mr. Laughren:** I certainly do.

**Hon. Mr. Conway:** But today at the House leaders' meeting, the member for Windsor-Riverside said, "Listen, some of us have a long way to go today." I am wondering if anybody will, in the end, have a longer way to go than I will, driving myself halfway across this province. But I agree with the member for Windsor-Riverside. He put a very interesting and reasonable request. "Can't we agree," he said, "to adjourn at five o'clock?" to which I said, after some thought, "Yes."

We talked about other things. We talked about the sitting next week, and I have to put this on the record. These wonderful men and women who represent 95 electoral districts in Ontario, at our caucus last week when I put it to them, "Well, we may need to sit, because this is important business. The government has a view. The opposition has a view," said to me, "House leader, after five or six or seven days of debate, with the public positions of the honourable members on all sides known in principle"—they said to me from Halton to Haldimand and from Kenora to Cornwall—"what is the problem with a vote?"

**1600**

I said to them, "Well, the opposition must have its say," and we agreed. The opposition must have its say. They said to me then, "Well, if they want to sit and debate this question," someone imagined there might be a filibuster. I said: "No, no, never. A filibuster? The member for Cochrane South filibuster? Never."

Interjection.

**Hon. Mr. Conway:** I share with the member for Etobicoke-Lakeshore (Mrs. Grier) my difficulty, because my friends say: "The leader of the New Democratic Party, the leader of the Conservative Party, the leader of the government have, in principle taken clear positions with respect to the main question which is at issue in



government resolution 8. So what is the problem about having a vote?"

After days of debate, why would we, as a Legislature, not want to have a vote, particularly before the President of the United States and the Prime Minister of Canada, in accordance with an American deadline, sign the agreement on January 2? I do not have an easy answer, except to say that the honourable members in the opposition want to have their say.

So what about next week, the week of Christmas and New Year's? The members of our caucus, when canvassed, not universally, but very significantly, said: "Well, this is important. If the members want to debate the question, let us be here next week and let us have a regular week." That is what they told me. That was their direction.

I want to say to my friends, from our point of view, that is how this matter has developed. But I think it is my responsibility to try to assist in these difficult times, a difficulty I have to tell members I do not accept the full responsibility for. I repeat, there have been things said and things written this afternoon that disappoint me, that offend me and that will lead me to an important new protocol which I think these developments have necessarily led us to.

**Mr. Laughren:** Will it include consultation?

**Hon. Mr. Conway:** My friend the member for Nickel Belt (Mr. Laughren) asks about consultation. I think I have been very consultative. I am not perfect, but there have been some difficulties the opposition has experienced and felt and, believe me, they will be addressed fully and immediately with respect to certain protocols.

I am doing this as I stand here and I do not have much authority, but I am going to accept and recommend to my colleagues that the amendment by the member for Scarborough West be concurred in. I have to tell my friends in the second and third parties that if they had come to the House leaders' meeting today and said: "Conway, listen, we know what your gang wants. We know there is a determination on the part of this Liberal government to move forward on this trade question and to send the clearest possible message to the Prime Minister of Canada and to the President of the United States," if the matter had been raised at the meeting today, I might have had some opportunity to consider the possibility and to have been my usual agreeable self, as I like to think I have been on most of these issues.

One of the things that deeply disappoints me is that there is a release today in the name of the

House leader for the third party which purports to capture the spirit of our meeting at 12:53 p.m. this afternoon. I just have to say to the member for Nipissing (Mr. Harris) that I am deeply and truly disappointed by his press release of today in that connection.

But it is Christmas and we are all honourable members and I like the opposition. I enjoy the opposition. I sometimes imagine that there is no life like it, that really and truly, there is nothing quite like standing there alone in the wind of this place and saying, "On this Gibraltar I will build my case and no man, no woman, no argument, no deadline, no nothing is going to move me from this position, because I am an honourable member with a strong and honourable case and I defy that government over there, particularly if it is a big majority government, to be seen to be mowing me down." I have done it and I know something of the recreational, psychological and spiritual joy it momentarily provides to an honourable member.

I want to say on behalf of the government bench, and in particular in response to the arguments advanced by my sweetly reasonable friends the member for Scarborough West and the member for Nickel Belt—notwithstanding the fact that the member for Nickel Belt has said in this place today something in my respect that, as I said earlier, cuts not to the bone but to the marrow itself—that I am going to recommend to my whip and my strongly determined colleagues in caucus that they accept the amendment standing in the name of the member for Scarborough West, if for no other reason than to prove publicly in this wonderful historic place, on this happy Christmas eve's eve, that I like to think it is the reality of my dealings with honourable members in this place privately that I am a very reasonable fellow and notwithstanding—

**Mr. Laughren:** It could possibly be guilt.

**Hon. Mr. Conway:** It has nothing to do with guilt, I want to say, because I think there is an important point to be made. The place has got to be made to work and I am going to make it work. The opposition has to understand that if it wishes a debate on a subject about which the government feels strongly, then when it gets what it wishes, it ought not to complain too loudly. That is all we want to do: We want to provide the honourable members opposite with a full opportunity to have that kind of debate.

Enough said. In the Christmas season, with all I have said, notwithstanding the views of my caucus, strongly committed as it is to a regular



sitting next week, I am prepared to accept the amendment of the member for Scarborough West.

**Mr. Speaker:** Mr. Conway moved that when the House adjourns today, it stand adjourned until Monday, December 28, 1987. Mr. R. F. Johnston moved an amendment replacing the words of "Monday, December 28" with the words "Tuesday, December 29."

**Mr. D. S. Cooke:** It was 1988, Mr. Speaker. Interjections.

1610

**Mr. Speaker:** I advise all members it was somewhat difficult to read the amendment.

You have heard the amendment to the motion. All in favour of the amendment? I declare the amendment carried. Therefore, we have an amended motion. Is it the pleasure of the House that the amended motion carry?

**Mr. Harris:** On a point of order, Mr. Speaker: I specifically asked you when I got up to give my remarks whether I was to speak to both the amendment and the motion. I believe you indicated that, as is the practice, "You are speaking to the amendment and, after that vote is taken, then you can speak to the motion." I just seek to clarify that.

**Mr. Speaker:** I thought I made it very clear. I said, "The question now is, shall the amended motion carry?" I looked around and I did not see anyone on his feet. But if the honourable member has something to say on the amended motion, I know other members would be very happy to hear it.

**Mr. Harris:** Very briefly, on the amended motion, since I did speak to it somewhat when I was speaking on the amendment, I would just like to comment on the government House leader's remark that he took offence at something that was in my release of today.

He also implied that it was the first time he had heard anything on this whole question of sitting on Monday. I think, once again, perhaps there is selective memory on the part of the government House leader and I think everybody who was involved with the House leaders' meetings will concur. I believe also that the government House leader has imputed that I did not say something I now say I said, or vice versa. I am not sure which.

I would like to put on the record that yesterday I pointed out to the government House leader the problem with December 27. This morning, I mentioned the problem with December 27 and Bill 51. I specifically mentioned this morning the

problem with Monday, not from the members' point of view but from the point of view of the staff who had to work here and that it was a holiday. I regret that the House leader, unlike everybody else who was in the meeting, does not seem to recall that, but I would like to put that forward for the House's consideration.

I will indicate as well that we think the amendment is fine. We think the amended motion, for the arguments I put forward before, is silly.

**Hon. Mr. Kerrio:** Your argument didn't reason at all. You are mean-hearted and you know it.

**Mr. Harris:** We have another interjection. The Minister of Natural Resources says I am mean-hearted. I do not know if that is parliamentary. The Minister of Natural Resources got himself into trouble for an interjection a couple of days ago, when he imputed motives to both the Prime Minister and the Premier of New Brunswick. Now he is back again with an interjection. I do not know if that is parliamentary or not.

**Hon. Mr. Kerrio:** Mean-hearted is right. There is no other way to describe you.

**Mr. Speaker:** Order.

**Mr. Cousens:** There are two ways of ruling today, because when I spoke out I was put down. Don't deny it.

**Mr. Speaker:** Order. The member for Nipissing.

**Mr. Harris:** I think we have indicated where we stand on Bill 51. I think we have indicated where we stand on the amendment to the motion and where we stand on the amended motion. We indicated this morning at the House leaders' meeting that we understood this motion would be brought forward and we indicated we were not happy with it, but we did say it is the government's right to bring it forward. So we will not object to the particular motion that is being brought forward.

However, I want it clear that, as far as the Monday goes, that is a holiday for most of the staff. I did discuss that this morning at the House leaders' meeting and said I thought it did not make sense to come back on the Monday.

**Mr. Speaker:** You are all aware of the amended motion. Is it the pleasure of the House that the amended motion carry?

Motion, as amended, agreed to.



## ORDERS OF THE DAY

## TRADE WITH UNITED STATES

(continued)

Resuming the adjourned debate on the amendment to government motion 8 on the proposed trade agreement between Canada and the United States.

**Mr. Cousens:** I wonder what the people of Ontario are thinking now about the Premier (Mr. Peterson), who up until very recently was seen as the Teflon-coated person, protected from anything, nothing would stick to him. I have to say I think something is starting to stick to our Premier. For one who has accused Prime Minister Mulroney of ramming through the free trade agreement, here in this Legislature the Premier of this province is trying to ram through a resolution, resolution 8, that condemns the free trade agreement. He is doing the same thing he accused the Prime Minister of Canada of doing.

May I just say, before I start, I have been ruled out of order several times today because of interjections. If a new Speaker is coming forward and is not going to have the same kind of strong arm that the other Speaker had, I think there is something wrong and I would be asking for some kind of investigation of Speakers' rulings. We were told to be quiet when the government House leader was coming out with some of the foulest, misguided statements I have heard in this House, and we were told to sit down and be quiet. I think when we are preparing to debate an important piece in this Legislature, they have to do the same and have the same respect for us.

Interjections.

**Mr. Speaker:** Order.

**Mr. Cousens:** There is a touch of arrogance. The point I am trying to make is that this Premier, who is Teflon-coated, is losing some of the Teflon, and it is appearing very quickly when you come out and hear him coming forward with this resolution that is causing the Ontario Legislature to rule on the free trade motion before the federal House, and causing us to debate it now. It is something of the kind of thinking that he has accused the Prime Minister of Canada of.

He accused the Prime Minister of Canada of ramming it through, railroading it through. I have to say the same thing is happening in this House. People in glass houses shouldn't throw stones. The whole argument can be summed up in four words, "I'm right, you're wrong," and the people of Ontario are becoming increasingly confused at just what we are trying to do and what we are trying to say.

I happen to believe that this is the most important debate of this parliament. It is not something that can be relegated, as the honourable House leader of the party in power said, to the three leaders. I think it is something that affects every Ontario citizen, and I find it shocking that the Minister of Agriculture and Food (Mr. Riddell), the Minister of Energy (Mr. Wong) and other important ministers who have been involved in this whole debate, have not come forward and participated in this debate. I think it is proof of the fact that the Premier and his government really do not want to have a full debate on this subject.

The fact is, the people of Canada, the people of Ontario, the people of my riding and all the ridings that are represented here, are going to be impacted by the free trade agreement. What I would like to see is an approach by this government that says, "We're willing to conciliate; we're willing to work together; we're willing to make this country strong." What I see this motion doing, and by the very attempt to have this motion passed before January 2, when the Prime Minister of this country signs the agreement and the President of the United States signs the agreement, what he is trying to do is just say, "Hey, we're going to put Ontario's word out there just in time."

I tell you, it is not right, it is not good, it is not fair. It is not right for one main reason, and I wish the people of Ontario would go back and look at one of the old ads that came out that describes the Ontario public hearings on free trade. I am holding it up here because this Legislature is watched by many, many people, but it was in the Toronto papers, it was across the province.

**Mrs. Grier:** But not today.

**Mr. Cousens:** Who knows? I hope they are out shopping and doing the things they should be doing, but I am here to debate the free trade resolution and I think it is probably the most important thing I could be doing right now. That is why I am here, and I am prepared to be here as long as it is necessary to be here.

**Hon. Mr. Kerrio:** No, you're not; you're going home.

**Mr. Cousens:** If there is anyone I want to interject, it is the Minister of Natural Resources, because there is no one who has more of the spirit of Christmas. He could play Santa Clause anywhere, for any party. I have to defer to him at any time. He is too good a person. But maybe he, for one, did not read—

Interjection.



**Mr. Cousens:** No, I do not tango with him. The member for Niagara Falls (Mr. Kerrio) is one of the best members but, unfortunately, he does not understand the ramifications.

**1620**

The Ontario public hearings on free trade have written here, "A summary report of the major findings will be issued by mid-December 1987 and tabled in the Legislature for full debate." How can we have a full debate on this subject without those also being present?

We are having it, but it is not here. The honourable Minister of Industry, Trade and Technology (Mr. Kwinter) is not even in the House right now. He has not even had the courtesy, along with his committee that had hearings across the province, to come forward and table the reports. I know why. The reason he has not tabled the hearing results is that the hearings turned out to have a very favourable statement about free trade. That is it. The problem we have is that the Peterson government wants to get this thing out of the way before all the evidence is in. It is trying to stifle this House from having a full, open and honest debate on the subject.

How can the Premier, with any honesty or integrity, refer this to a committee when we have prejudged it by this motion? This motion, this resolution condemns free trade in the strongest language. Now we are going to have the standing committee on finance and economic affairs of the Legislature go out and review it further.

I call it hypocrisy. I call it a total breakdown of the legislative process. The fact of the matter is that this is going to stick to the Premier. It is going to stick to him as an example of arrogance, as an example of someone who is not willing to listen, as someone who does not show respect of all members of the House by trying to have quick passage of a motion that is so important.

I happen to believe that when we condemn something that a Legislative committee has not even had the opportunity to study, it is wrong. Why send it to committee if that is what we are doing with it?

I also think it should be on the record that the government House leader has said to our House leader, and to the House leader of the opposition party, that the whole free trade subject would come forward in the House with a motion and it could then be referred to the finance committee. What we got instead was the motion that I described earlier. It is this motion which I will not read. It has been read into the record. It has eight points on why free trade is bad. Why have

anyone else even look at it? But why have the breach of the agreement that took place?

I think what the members are seeing here is a Jekyll and Hyde in the Peterson government. The way it came out is not unlike what happened when the Premier attended all the meetings with the Prime Minister of Canada. He was as privy to what was going on in the free trade discussions and negotiations as any other Premier in this country.

The Honourable Pat Carney indicated that there were almost two Mr. Petersons. There was the Mr. Peterson who sat in on the hearings behind closed doors, who was quiet and asked certain kinds of questions and showed interest in it. Then, when he went out in front of the cameras and the microphones of the media, he became quite a different person. Instead of being the person who was the moderate behind closed doors, he came out as a strong, hard-speaking, powerful person fighting the free trade agreement.

He was two people: the person behind closed doors and the person in public. It is almost the same thing that has happened here today, where we have the House leader who said one thing—he said it was going to be a mild motion—and the next day or a couple of weeks later, in comes this resolution that we are now debating.

If we do not deal with this resolution today in this debate, when else will we have a chance to debate the most important issue that is going to face this Legislature?

I would love it if someone could explain why the Ontario Premier came out and said we are going to examine "the consequences" of free trade. He said, and I have his press release now, "I am therefore establishing a cabinet subcommittee on free trade that will hold public hearings throughout the province to provide an open forum on this issue which has potentially enormous implications for all Ontarians and Canadians."

He is absolutely right on how important it is. Then he again said: "The subcommittee will report its findings by mid-December. The report will be tabled in the Legislature for full debate."

What kind of statement is that? On October 8, that was issued from the Office of the Premier, and here we are on December 23 and we still have not received a report from that committee.

I think the Teflon is falling off the Premier. He is no longer the man in shining armour. I think we have seen enough election promises broken in the last several weeks to make every person in this House aware of the fact that we are dealing with a



government that is not working. We are dealing with a government that won on false pretences.

It came out with its statement on housing during the election campaign and said, "We're going to have 102,000 new affordable homes by 1989." There has not been one announcement or one statement on how the Minister of Housing (Ms. Hošek) is going to fulfil that promise.

There is another promise they made for 5,000 student residence places. It was made on the University of Toronto campus. That promise has not been fulfilled. There was a promise of \$10,000 for a new home ownership program. That one is not fulfilled. There was an election promise of \$297 million pledged for education. What is pledged? Try \$60 million.

It goes on and on. What we are seeing is a government abdicating its responsibility and throwing it back on other areas. We are seeing a government which does not know how to handle Sunday shopping and has thrown it back, as it will very shortly, with special legislation. What we are seeing here, in this debate, is a government which is not prepared to deal honestly with the issue. It is not prepared to lay the facts all out. It is withholding information from this House.

What power do we have to get it out of the government? We do not have the power. All we have is the right to stand up strong and proud and say what we believe and present the facts as best we know them and present them as straightforwardly as we can. I make the presentation to you, Mr. Speaker, as I did to my constituents when I won the election on September 10.

That is my commitment. That is the commitment of this party and that is the commitment we should all have as legislators. But we are now being forced to debate an issue when there are many more things that need to be tabled on it, and this government has not done so.

Yesterday, as I was closing down my presentation, I was commenting on some of the changes to the final text of the free trade agreement as it was finally delivered. Since it has been tabled and there has been significant discussion and study on it by many experts, people are finding that the document is very well put together.

There has not been outspoken concern that the document does not meet the terms and expectations that people had for it. Part of the reason for that was that when the legal text was finally tabled, the government, in consultation with the United States, had an opportunity to make some amendments and changes. As we know, all the transportation concerns were withdrawn from the

agreement altogether. We know that certain other things were worked out.

I want to table a few other points that were worked out in the final text. What happens is that people have a false understanding of what the text contains, because they expected certain things to be there when, in fact, they now are not. It might help them to be more amenable to accepting that the agreement is going to be good for them.

One of the points changed in the final text from the October elements of it is that there is a change in the definition of the rules of origin, which means that Asian car makers must meet what is effectively a 54 per cent content standard. This is a real bonus for Canadian auto parts producers. There has been a legitimate concern that our auto parts manufacturers, which are a very important part of our manufacturing base in Ontario, could have been hurt. But this kind of determination now in the agreement helps address the concern they were trying to raise.

One other point the text makes clear is that the existing investment restrictions are untouched and that Canada can treat US investors differently, if justified on prudential, fiduciary, health and safety or consumer protection grounds. What it means very much is that we retain sovereignty. That is so important for us to know what is being done by investors in our country. If we see that something is going to be done that is against the guidelines of Investment Canada, then we have the option to do something about it.

### 1630

The other point that was not clear in some of the early discussions about the free trade agreement was the ability of crown corporations to be recognized by the federal government. That has to be retained as a Canadian right, and indeed it is.

In fact, the final text, as it has been presented and compared, does represent the intentions as defined right from the very beginning when the federal government established a plan to build a free trade agreement with the United States. Now that it is in place, we can begin to see that we have something that is going to work.

I also believe there will be changes, and we have time ahead of us; it is on our side. The Canadian negotiators will continue to seek refinements to this agreement. As they are identified, we will have the doors of communication wide open so that Canadians can continue to build upon this agreement, so that we can continue to open the doors, reduce the tariffs, reduce the barriers to trade and establish a



unique, special trading relationship between Canada and the United States; a freer trade environment, a bilateral trade agreement that is going to give Canadians a better standard of living, give Canadians far more than they had before.

I am surprised that over the last number of days one of the people who could have spoken and offered a great deal on the free trade agreement has not only been absent from the House but has not taken the time to speak out on some important issues. I am speaking specifically of the Minister of Agriculture and Food.

What we have to look at is that there are a number of major areas in this agreement that have been cause for concern by marketing boards, by farmers right across this country and in this province. What they have to realize is that a number of things that will affect farmers have been agreed to in the agreement, but those things that have been agreed to will have a positive impact on the future of agriculture in our province and our country.

One of those points has to do with tariffs being phased out. Tariffs on agricultural products will phase out. Those tariffs average only about six per cent right now, which is not a lot of money, but it means that when we are buying fruit, produce, vegetables and other agricultural products from the United States, those tariffs will not be there. That is going to be of benefit to consumers, because consumers are going to be able to buy certain foodstuffs cheaper than otherwise.

The other thing, and I referred to it briefly yesterday, is that supply management powers stay through the marketing boards we have, which touch upon so many different areas of agriculture. Articles 710 and 706 of the free trade agreement protect our supply management powers through the marketing boards.

The other point that is covered by the trade agreement is that fresh fruits and vegetables have special rights of protection if prices fall. Article 702 will give us that protection so that our producers of agricultural products—let us say peaches in the Niagara area—end up being very cheap across the border. If it turns out that our own farmers are not going to be able to get a return on their investment for their products, then we can have some way of stabilizing prices in this country. So our own farmers are not going to be hurt in a negative way.

Another point that came through from the agreement—I think it is unfortunate that there has not been a clear, honest debate on this subject. I

have to say a lot of it comes from the failure of the federal government to present, as openly and clearly as it could have, the benefits of the free trade agreement. I think there is an awful lot more that the federal government can do on it.

**Mr. Black:** They're your cousins.

**Mr. Cousens:** I am not happy that the federal government has not done a better job explaining what the free trade agreement is going to do for all the people of Canada, and I think that is something it has to begin to do and do more effectively.

I also think the media can be criticized for not just dealing with facts. Certainly, one of the points I presented yesterday about the process and establishment of sectoral advisory groups on international trade has not been presented in the media. I have never seen anything in the media. Now someone will come along and say, "Yes, we mentioned it once." The point is that the federal government has done an extensive amount of homework in order to build a free trade agreement between our country and the United States that reflects, in an honest and good way, good intentions to build a better trading arrangement between our two countries.

I am touching on agricultural issues. Cattle-men will be exempt from meat import laws. The agreement is going to open border meat inspection rules so that there can be some trading back and forth. But at least we have got protection for them. Article 704 in the free trade agreement certainly accomplishes that. Sometimes, in order to protect different areas of agriculture—it follows in pretty well every area of trade—technical barriers can be established that are really quite phoney. Phoney health standards are certain things that are just a way of blocking trade opportunities. Those technical barriers are going to be dropped. Article 708 indicates that will happen.

Through the trade agreement, grain imports will be restricted until there is a level playing field on subsidies. We are dealing with a world market when we are dealing with grain and even though Canada has done extremely well in exporting grain in the last several years, the price has just dropped through the bottom, as many of us know. The fact of the matter is that there are going to be efforts through the General Agreement on Tariffs and Trade and through other negotiations to try to build a better understanding on how we in Canada can continue to be a major producer of grain.

A lot of these inclusions, a lot of these parts of the free trade agreement are included there so that



both our countries, Canada and the United States, can continue to have their supply management systems and they can continue to work. What we are really seeing here is the first step by our country in trying to end the global grain war. In fact, if we begin to work it out with the United States, it can have a ricochet effect, a domino effect, on other parts of the world so that we can begin to bring some sense back into the cost of producing grain.

There is a major benefit for red meat producers, potatoes, mushrooms, soybean oil and others. In fact, there are a lot of things that come out of the free trade agreement that people have been talking about for a long time and wanting to do something about. Now at least we are moving in the direction. Dairy processors are protected. We are seeing agriculture right across this country fully understood. I believe farmers are going to come out of this satisfied that they have had someone fighting for them.

I know there are many interjections and that the people who are watching this really do not have a chance to understand where the interjections are coming from. I know some of them are very informed. The member for High Park-Swansea (Mr. Fleet) has things to raise. I guess that is why it is important for this to be debated. He is asking questions and obviously does not have the answers. It is important for him to get involved in this. I am glad he is participating even now. Maybe he can participate even more because, like myself, he probably agrees that free trade is the most important thing that has happened in our country and in our province. I look forward to hearing what he has to say.

Agriculture is an important ingredient in the free trade agreement and yet it continues to be a surprise and a shock to all of us on this side of the House, with the exception of the rump, that the Minister of Agriculture and Food has not come forward and spoken on this important subject.

There is quite a lot to be said on the whole issue of alcoholic beverages. In the agreement, discriminatory wine markups which are not commercially justified will be phased out. This means that approximately a 20 per cent markup can remain. That is part of the problem GATT had with Ontario's wine pricing strategy. It is something that had to be worked out and finally, in spite of the fact that our Minister of Industry, Trade and Technology (Mr. Kwinter) said that it does not matter what happens with the rest of Canada and that what Ontario does is more important, it is important that Ontario honour its

trade arrangements and trade agreements with other countries.

**1640**

The free trade agreement will now start limiting certain forms of pricing that we have. Again, that is going to come out to be a benefit for the people of the province. World-class Canadian distillers finally get tariff-free access. I guess what that is going to mean is the boozers of the world are going to have a chance to get the same price on some of those products as the Canadian price.

It is also significant that the beer companies have themselves protected. They have been grandfathered according to chapter 12 of the agreement. The fact is that Canadian breweries are not competitive with the interprovincial barriers we have in this country. It was important that the federal government, in developing a free trade agreement, understand the brewery industry, and it did, and the brewery workers' jobs have been saved. They are not impacted in a negative way or in any way by the free trade agreement, except that those workers will probably be able to have more money coming in now because business and the economy in this country and province will undoubtedly be improving with the free trade agreement and people might have a little bit more to spend on some of the luxuries of life.

Provincial wine practices have been the subject of international challenge for years.

Interjections.

**Mr. Cousens:** I just have to say, Mr. Speaker, that I was ruled out of order with one interjection when the government House leader was talking, and now we are getting interjections. If honourable members want to participate in the debate, we look forward to it, but I would say that the Speaker, in all fairness, has to treat both sides equally, and I do not see it always happening. The "Order, order" comes when our side is making interjections, and when the other side does—I would be glad to have them speak and I look forward to hearing the speech of the Minister of Natural Resources (Mr. Kerrio).

Provincial wine pricing practices have been the subject of international challenge for years, and provinces, during the last round of—

**The Deputy Speaker:** There are many private conversations and it makes it difficult to hear the member talking.

**Mr. Cousens:** The concern some people have is that the free trade agreement is going to hurt the grape and wine industry. I think the fact of the



matter is that the federal and provincial levels, working together with the wine industry, are going to be able to find ways of working out the problems with the General Agreement on Tariffs and Trade and that provincial co-operation is going to be essential to work with the wine industry.

I think the concern I am having goes back to the Minister of Agriculture and Food being involved in this, and the Minister of Industry, Trade and Technology. What is the province going to be doing to help certain people who are going to be affected negatively with the free trade agreement?

I believe there are some who are going to suffer because of it. What I would like to see, instead of this statement of confrontation, this statement of condemnation that is coming through the Liberal government, would be to say, "Look, we know it's going to come into effect; we are then going to be prepared to do things," those things that are necessary to help make sure that those who are hurt by it are also going to be helped.

By the way, the Minister of Industry, Trade and Technology is here now and I would not mind if I got one interjection from him, because I just cannot believe—I mentioned this earlier—the advertisement that was placed in all the papers about Ontario public hearings on free trade. It said, "A summary report of the major findings will be issued by mid-December 1987 and tabled in the Legislature for full debate."

**Hon. Mr. Kwinter:** Can I respond to that?

**Mr. Cousens:** Could I just allow a response on that, Mr. Speaker?

**Hon. Mr. Kwinter:** I would like to respond to that because I think it is very significant. When that statement was made, the federal government had informed this government on October 5, when we had a meeting, that in three weeks' time we would see the final text, the legal text; in three weeks' time we would get it. On the basis of that promise, we said that we would be able to report by mid-December.

We got the legal text on December 11, and if the member has examined the legal text he will know that there have been some changes and we have to adjust our report to take into account those changes. To say that we are at fault when we were promised the legal text in three weeks and it took 10 weeks certainly is attacking the wrong party.

**Mr. Cousens:** I think the attack continues because the fact is he has not modified other stands. He has had public hearings, has travelled

the province and has received a considerable amount of—

**Mr. Harris:** That was one of the legal interjections, was it?

**Mr. Cousens:** Well, it was good. I asked for it. The fact of the matter is there has not even been the courtesy in this House where the chairman of that committee, the Minister of Industry, Trade and Technology could have said just what he said now. What I would like him to do is tell us when his presentations are going to be there, because if he knew on October 5 that he was going to start around, and October 8 was the press release, he has already had his circuit around the province. We would like to know what it is he found out through his hearings.

The fact stands that the government picked up more positive statements for free trade than it did negative, and therefore it does not want to make public its findings. That is the rub and therefore we are not going to see a statement coming from that committee. That committee really has just gone along and spent government money, taxpayers' money, but really will not have anything to offer this debate in time for us to include it in our considerations.

**An hon. member:** They do not care.

**Mr. Cousens:** I do not think they care. I do not think they really understand the importance of this issue. When they come along and say they are going to do one thing and then they do not even have the courtesy to tell us how they are going to handle it, I see it as a major faux pas.

The energy issue, as defined in the free trade agreement, is another issue that I thought the Minister of Energy (Mr. Wong) would be standing up and speaking on in this House. He has a staff of hundreds. He is in a position, having travelled the province with the Minister of Industry, Trade and Technology, to come into this House and tell us, from his perspective and from that of his ministry, the benefits or the negative problems or whatever on the free trade agreement. The fact that he has not done so is a concern to me. He is not even in the House now and who knows why? What I want to go on with now is on the energy deal—

**Mr. Black:** On a point of order, Mr. Speaker: It was announced in this House earlier this week that the Minister of Energy is ill in the hospital. I believe the speaker knows that.

**Mr. Cousens:** I hope he has a speedy recovery. I did not know that. He is probably watching this debate right now and I hope he



improves quickly so that he can be back here on Tuesday with the rest of us.

There are a number of US barriers that are going to disappear because of the free trade agreement and those have to do with US tariffs. It is going to have to do with import fees, customs user fees, uranium restriction funds; all these are identified in annex 902.5 of the free trade agreement. What this means is that with US barriers coming down, it is going to give an opportunity for Ontario marketers to start selling their products south of the border. Threatened barriers are ruled out.

The fact is that very often an investor who wants to sell south of the border is not going to do it because of what is going to happen next year. What is going to happen two years from now? Why set up all the marketing and distributing outlets that they would have to have, which takes a heavy cost, if in fact the United States is going to set up blockades and block those opportunities?

The fact now is that people who are trading with the United States will have a sense of long-term security in knowing that there are not going to be surprises. They are not going to have to worry about what is going to happen next year or two years from now. Article 902 rules out that threatened barriers can be brought in that are going to hurt our energy industry.

In article 907, the US has limited its ability to block imports on the basis of national security. That is always an important concern. It means now that the security of Canada and the United States are in some very real respect tied in together and we are working together to protect this continent from an energy point of view.

Article 904 of the free trade agreement indicates that discriminatory pricing by government action will be prohibited, but different prices will be allowed for commercial reasons. That means there are going to be occasions when there have to be fluctuations in prices. There are going to be different times when we are going to have a different price for gas for farmers for agricultural use. They will be able to continue to have the kind of protection they had in the past.

Canadian ownership rules of energy-producing companies are still unchanged. Provincial control over resources remains as it was. There is also an agreement in article 904 of the free trade agreement to reduce exports on a proportional basis in a time of shortage. What this means is that there can be no unilateral cutoff by Canada. That is part of the intent of a good working relationship between our country and

the United States, that indeed we do not want to be caught in the position of playing games with our neighbour to the south and so that we too have a responsibility in the future to continue to honour our commitments.

#### 1650

There are people who sometimes say, "Let's hold them to ransom." This agreement means that both sides are negotiating honourably. I think it is important to know why these agreements have been struck. First of all, it gives us secure access to the US market, giving us a cash flow in new oil and hydro projects. This can result in increased supply for us and it means that we can produce more energy. It means that we can sell more energy. In the long term, it gives us more energy security in our country.

It points to a major new opportunity. If in fact Ontario has surplus energy, such as our hydro-electric power systems, then we can start selling more. Maybe it is a time for us to look at developing more energy resources. We can do it. We now have the market for it.

Another reason why these arrangements that have been agreed to in the free trade agreement are so important is that this agreement allows us to reduce exports in a time of shortage if we in fact have a national problem.

**The Deputy Speaker:** Order, please. I know there are but a few minutes left but the chair would like to be able to hear the member for Markham.

**Mr. Cousens:** I thank you very much, Mr. Speaker. In time of national need we still will have the option to do what is in the best interests of Canadians and it would therefore mean if we have to reduce our exports in order to meet our own increased capacity, our own increased requirements, then we are in a position to do something about that.

I think what we are seeing as well with the energy agreement within the free trade structure is that the US is agreeing to become far more dependent on Canadian energy. I am wondering, if it were the other way around, would Canadians agree to become more dependent on US hydro if the US reserved the right to turn off a switch at its discretion? Obviously not.

Why should we expect them to? Without secure access to US customers, there will be less investment in new projects and that means fewer jobs, less income and small energy supplies. We would be more dependent on foreign supplies. There would be less energy security for Canadians.



Energy economics are no different than for any other commodity. We need a larger market than our own to justify the investment that we want to make in efficient, world-scale production that keeps the price of the product down. Canada retains that right.

As I think about the Minister of Energy, I do apologize, I had no idea that the minister was ill. Yet, I would have hoped that there would have been time for that minister, if the debate was scheduled at a more satisfactory time, to participate in this debate.

I am surprised that the Minister of Government Services (Mr. Patten) has not participated in it. The free trade agreement is built on the framework of the General Agreement on Tariffs and Trade in many respects, but the procurement code in GATT, as implemented in 1981, began to open up the availability of Canadian markets for US and Canadians selling in opposite countries. What now happens through the free trade agreement is that the market of the United States, which is about \$3 billion in selling to the US federal government, is now open to Canadians, and the Canadian market for Americans is now open, which amounts to about \$500 million.

For us it opens up a huge market. For the Americans it opens up a smaller market, but it is going to make some competition for Canadians. I happen to believe that Canadians can withstand that competition. I am sure they can.

Article 1304 begins to show that there can be an opening up of trade in government sales. One of the points—and I thought this would come through from the Minister of Government Services. I see a happy smile from the Attorney General (Mr. Scott). I can tell he is watching the clock and he is just looking forward to something else because we are breaking off at five, and if he wants to break off earlier, he has our permission to go.

The fact is, provincial procurement is excluded from the free trade agreement, so that Ontario business people who depend so heavily on Ontario government sales—

Interjections.

**Mr. Speaker:** Order.

**Mr. Cousens:** I think this is a very important point. I just think that if we are to continue to have our own Ontario entrepreneurs dealing with the Ontario government, they know government business has opened up at the federal level and they can still rely on the opportunity to try to sell to the Ontario government. If anyone has ever tried to do it, as I have, he will know it is not easy. But there is an awful lot of business that

goes right across this province because of what the Ontario government spends in its acquisitions.

What is really beginning to happen in government procurement policies, as laid down in chapter 13 of the free trade agreement, is that both Canada and the United States will negotiate to extend these rules in the General Agreement on Tariffs and Trade and will resume negotiations later. It means that someday there could be an opening up of trade between people selling to Ontario and our marketers selling to different states south of the border.

I think this is an important consideration in the free trade agreement. It means that there is more open procurement. It has been a long-term, key objective in Canadian trade policy that we can have our people sell to the American government. They now will begin to do so.

In Ontario, officials caution about restraint. They are saying, "Be careful." The fact is, this deal has limited any kind of trade taking place between Ontario government business and US marketers coming into the country.

I do not think it has been said enough that significant progress has been made with regard to the free trade agreement. It has now given the chance for us to open up more discussions and more negotiations for more bilateral trade. What this does is open up new trade potential.

There are great and significant things that affect investment and what is going to happen in this province as American investors start investing more in Canada and as Canadian investors invest more in the United States. Canada retains the right to review large takeover proposals. Here is a large figure: greater than \$150 million in gross assets will be one of those things that comes before Investment Canada. At present, 75 per cent of assets are reviewable. That will remain so.

Therefore, if some company wants to take over a large Canadian conglomerate, Canada can continue to be involved in that and say: "That is not in our best interests. We do not want to have that American company take over this Canadian company."

I can think of some examples of that. I would like to see Canadian Telecom continue to be a Canadian company. If someone were to try to buy it out—and I would not be surprised, because of the quality of the business, the quality of the company and the quality of the people—Canadians would be wise to hold on to that and say: "We are not going to give that up. We want to maintain our distinct Canadian status by

having certain companies like this that are not just going to be given away.”

One of the points too is when people start talking about different cultural industries. They continue to have a special status in the free trade arrangement. Article 2005 does protect them.

Countries can treat investors differently. If treatment is equivalent in effect, or if different treatment is required for prudential, fiduciary, health-and-safety or consumer protection reasons, then we can continue to do it for whatever reasons they are. Article 1602 of the free trade agreement gives us that opportunity to treat different parts—

Interjection.

**Mr. Cousens:** I did not know the member had a funny bone.

**An hon. member:** Merry Christmas.

**Mr. Cousens:** It is just about that stage that Santa Claus is coming down the old chimney for the Attorney General of Ontario.

This free trade agreement will keep Canadian investment money in Canada. It will create jobs for Canadians, and trade and investment go hand in hand. There is no doubt that we must continue to have them work in harmony.

On motion by Mr. Cousens, the debate was adjourned.

## BUSINESS OF THE HOUSE

**Hon. Mr. Conway:** As is customary late in the week, I have a business statement for the week coming.

On Tuesday, December 29, Wednesday, December 30, and Thursday, December 31, we will be continuing the debate on government notice of motion 8 standing in the name of the Minister of Industry, Trade and Technology (Mr. Kwinter).

On Thursday morning, we will consider private members' business standing in the names of the member for Durham East (Mr. Cureatz) and the member for Nepean (Mr. Daigeler). It has been agreed by the three parties that committees will not sit next week. Any additional business will be announced by the agreement of the House leaders.

As the wind gathers in the sails of the Attorney General (Mr. Scott), on behalf of the government, at least, I want to take this opportunity to wish all a very merry Christmas and to all a very good evening.

**The Deputy Speaker:** Before we adjourn, on behalf of the presiding officers, the staff and the pages, who have done an excellent job, we would like to wish all of you and your families a very merry Christmas, happy Hanukkah, and may 1988 be very kind to you.

The House adjourned at 5 p.m.



## ALPHABETICAL LIST OF MEMBERS\*

(130 seats)

First Session, 34th Parliament

**Lieutenant Governor: Hon. Lincoln M. Alexander, PC, QC**

- 
- Adams, Peter (Peterborough L)  
 Allen, Richard (Hamilton West NDP)  
 Ballinger, William G. (Durham-York L)  
 Beer, Charles (York North L)  
 Black, Kenneth H. (Muskoka-Georgian Bay L)  
 Bossy, Maurice L. (Chatham-Kent L)  
**Bradley, Hon. James J.**, Minister of the Environment (St. Catharines L)  
 Brandt, Andrew S. (Sarnia PC)  
 Breagh, Michael J. (Oshawa NDP)  
 Brown, Michael A. (Algoma-Manitoulin L)  
 Bryden, Marion (Beaches-Woodbine NDP)  
 Callahan, Robert V. (Brampton South L)  
 Campbell, Sterling (Sudbury L)  
**Caplan, Hon. Elinor**, Minister of Health (Oriole L)  
 Carrothers, Douglas A. (Oakville South L)  
 Charlton, Brian A. (Hamilton Mountain NDP)  
 Chiarelli, Robert (Ottawa West L)  
 Cleary, John C. (Cornwall L)  
 Collins, Shirley (Wentworth East L)  
**Conway, Hon. Sean G.**, Minister of Mines (Renfrew North L)  
 Cooke, David R. (Kitchener L)  
 Cooke, David S. (Windsor-Riverside NDP)  
 Cordiano, Joseph (Lawrence L)  
 Cousens, W. Donald (Markham PC)  
 Cureatz, Sam L. (Durham East PC)  
**Curling, Hon. Alvin**, Minister of Skills Development (Scarborough North L)  
 Daigeler, Hans (Nepean L)  
 Dietsch, Michael M. (St. Catharines-Brock L)  
**Eakins, Hon. John F.**, Minister of Municipal Affairs (Victoria-Haliburton L)  
**Edighoffer, Hon. Hugh A.**, Speaker (Perth L)  
 Elliot, R. Walter (Halton North L)  
**Elston, Hon. Murray J.**, Chairman of the Management Board of Cabinet (Bruce L)  
 Epp, Herbert A. (Waterloo North L)  
 Eves, Ernie L. (Parry Sound PC)  
 Farnan, Michael (Cambridge NDP)  
 Faubert, Frank (Scarborough-Ellesmere L)  
 Fawcett, Joan M. (Northumberland L)  
 Ferraro, Rick E. (Guelph L)  
 Fleet, David (High Park-Swansea L)  
**Fontaine, Hon. René**, Minister of Northern Development (Cochrane North L)  
**Fulton, Hon. Ed**, Minister of Transportation (Scarborough East L)  
 Furlong, Allan W. (Durham Centre L)  
**Grandmaitre, Hon. Bernard C.**, Minister of Revenue (Ottawa East L)  
 Grier, Ruth A. (Etobicoke-Lakeshore NDP)  
 Haggerty, Ray (Niagara South L)  
 Hampton, Howard (Rainy River NDP)  
 Harris, Michael D. (Nipissing PC)  
 Hart, Christine E. (York East L)  
 Henderson, D. James (Etobicoke-Humber L)  
**Hošek, Hon. Chaviva**, Minister of Housing (Oakwood L)  
 Jackson, Cameron (Burlington South PC)  
 Johnson, Jack (Wellington PC)  
 Johnston, Richard F. (Scarborough West NDP)  
 Kanter, Ron (St. Andrew-St. Patrick L)  
**Kerrio, Hon. Vincent G.**, Minister of Natural Resources (Niagara Falls L)  
 Keyes, Kenneth A. (Kingston and The Islands L)  
 Kozyra, Taras B. (Port Arthur L)  
**Kwinter, Hon. Monte**, Minister of Industry, Trade and Technology (Wilson Heights L)  
 Laughren, Floyd (Nickel Belt NDP)  
 LeBourdais, Linda (Etobicoke West L)  
 Leone, Laureano (Downsview L)  
 Lipsett, Ron (Grey L)  
 Lupusella, Tony (Dovercourt L)  
 MacDonald, Keith (Prince Edward-Lennox L)  
 Mackenzie, Bob (Hamilton East NDP)  
 Mahoney, Steven W. (Mississauga West L)  
**Mancini, Hon. Remo**, Minister without Portfolio (Essex South L)  
 Marland, Margaret (Mississauga South PC)  
 Martel, Shelley (Sudbury East NDP)  
 Matrundola, Gino (Willowdale L)  
 McCague, George R. (Simcoe West PC)  
 McClelland, Carman (Brampton North L)  
 McGuigan, James F. (Essex-Kent L)  
 McGuinty, Dalton J. (Ottawa South L)  
 McLean, Allan K. (Simcoe East PC)  
**McLeod, Hon. Lyn**, Minister of Colleges and Universities (Fort William L)  
 Miclash, Frank (Kenora L)  
 Miller, Gordon I. (Norfolk L)  
 Morin, Gilles E. (Carleton East L)  
 Morin-Strom, Karl E. (Sault Ste. Marie NDP)

**Munro, Hon. Lily O.**, Minister of Culture and Communications (Hamilton Centre L)  
 Neumann, David E. (Brantford L)  
 Nicholas, Cindy (Scarborough Centre L)  
 Nixon, J. Bradford (York Mills L)  
**Nixon, Hon. Robert F.**, Deputy Premier, Treasurer of Ontario and Minister of Economics and Minister of Financial Institutions (Brant-Haldimand L)  
 Offer, Steven (Mississauga North L)  
**O'Neil, Hon. Hugh P.**, Minister of Tourism and Recreation (Quinte L)  
 O'Neill, Yvonne (Ottawa-Rideau L)  
 Owen, Bruce (Simcoe Centre L)  
**Patten, Hon. Richard**, Minister of Government Services (Ottawa Centre L)  
 Pelissero, Harry E. (Lincoln L)  
**Peterson, Hon. David R.**, Premier and President of the Council and Minister of Intergovernmental Affairs (London Centre L)  
 Philip, Ed (Etobicoke-Rexdale NDP)  
**Phillips, Hon. Gerry**, Minister of Citizenship (Scarborough-Agincourt L)  
 Poirier, Jean, Deputy Speaker and Chairman of the Committees of the Whole House (Prescott and Russell L)  
 Pollock, Jim (Hastings-Peterborough PC)  
 Polsinelli, Claudio (Yorkview L)  
 Poole, Dianne (Eglinton L)  
 Pope, Alan W. (Cochrane South PC)  
 Pouliot, Gilles (Lake Nipigon NDP)  
 Rae, Bob (York South NDP)  
**Ramsay, Hon. David**, Minister of Correctional Services (Timiskaming L)  
 Ray, Michael C. (Windsor-Walkerville L)  
 Reville, David (Riverdale NDP)  
 Reycraft, Douglas R. (Middlesex L)  
**Riddell, Hon. Jack**, Minister of Agriculture and Food (Huron L)  
 Roberts, Marietta L. D., Deputy Chairman of the Committees of the Whole House (Elgin L)

Runciman, Robert W. (Leeds-Grenville PC)  
 Ruprecht, Tony (Parkdale L)  
**Scott, Hon. Ian G.**, Attorney General (St. George-St. David L)  
 Smith, David W. (Lambton L)  
**Smith, Hon. E. Joan**, Solicitor General (London South L)  
 Sola, John (Mississauga East L)  
**Sorbara, Hon. Gregory S.**, Minister of Labour (York Centre L)  
 South, Larry (Frontenac-Addington L)  
 Sterling, Norman W. (Carleton PC)  
 Stoner, Norah (Durham West L)  
 Sullivan, Barbara (Halton Centre L)  
 Swart, Mel (Welland-Thorold NDP)  
**Sweeney, Hon. John**, Minister of Community and Social Services (Kitchener-Wilmot L)  
 Tatham, Charlie (Oxford L)  
 Van Horne, Ronald G. (London North L)  
 Velshi, Murad (Don Mills L)  
 Villeneuve, Noble (Stormont, Dundas and Glengarry PC)  
**Ward, Hon. Christopher C.**, Minister of Education (Wentworth North L)  
 Wildman, Bud (Algoma NDP)  
**Wilson, Hon. Mavis**, Minister without Portfolio (Dufferin-Peel L)  
 Wiseman, Douglas J. (Lanark-Renfrew PC)  
**Wong, Hon. Robert C.**, Minister of Energy (Fort York L)  
**Wrye, Hon. William**, Minister of Consumer and Commercial Relations (Windsor-Sandwich L)

\*The alphabetical list of members appears in each issue. Lists of the members of the executive council, parliamentary assistants and members of committees, brought up to date as necessary, are published in Hansard in the first and last issues of each session and on the first sitting day of each month.



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# Hansard

## Official Report of Debates

### Legislative Assembly of Ontario

**First Session, 34th Parliament**

Tuesday, December 29, 1987

Speaker: Honourable Hugh A. Edighoffer  
Clerk of the House: Claude L. DesRosiers

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# LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday, December 29, 1987

The House met at 1:30 p.m.

Prayers.

## CONDUCT OF ORAL QUESTION PERIOD

**Mr. Cousens:** On a point of order, Mr. Speaker: Out of the last day's session on Wednesday afternoon, there were two instances concerning the Speaker—who is normally a very fair, balanced, kind and generous person—about which I would like to take exception and bring to the House's attention two concerns I have that arose in Wednesday afternoon's session.

The first has to do with a supplementary question that I had for the Minister of Health (Mrs. Caplan). The Speaker, before I was finished asking the supplementary, said: "You have had 60 seconds to lead up to it. Would you place the question now?"

I would like to ask the Speaker whether it is his considered opinion that in the future all questions should take no longer than 60 seconds to ask and, if that is the case, is it true that no answers should take longer than 60 seconds before the answer is given? I think if you look at the timing of the first question I asked that afternoon, it was a very short question. Then I did take some time to make some points.

I would also like to table with the Speaker that the minister, in answering the question, spent an awful long time and never did answer either the first question or the supplementary. That is my first point that I raise to you, and I do it in respect and ask if, in fact, there is a new basis for your considered opinion on how you are going to be timing questions and answers.

The second point that I would like to make on a point of order—and I think it has to do with no sense of persecution on the day before we took our Christmas break—is that the honourable Speaker, when bringing members to order, was very quick to bring the member for Markham to order, but may I suggest with all due respect that the Speaker was not as quick to bring members of the governing party to order.

I would like to know, Mr. Speaker, whether it is your intention to be equal to all members of the House or whether you have some special basis for having a shorter fuse for those who are of another party. I do not mean that with any

disrespect, but I am concerned that the Speaker and the other Speakers are not being consistent in applying fairness to all members of this House.

**Mr. Speaker:** I feel it is most appropriate that I respond to the honourable member mainly, probably, on a personal, private basis.

However, with regard to the timing of questions and responses, I can show the honourable member that I have done that ever since I was Speaker. I feel very strongly that any questions and responses that take the time of a member's statement are more in line with a statement rather than a question. Therefore, I try on all occasions to bring members back to their question or to their response in a reasonable time.

As far as the quick fuse the member mentioned is concerned, I am not certain whether there was a problem there. However, I do recall calling the member to order because of the volume there was in the interjection. I would draw to all members' attention that one of the standing orders says that interjections are out of order and members should speak only when recognized by the Speaker.

However, I would be glad to discuss it further at the pleasure of the member for Markham.

## MEMBERS' STATEMENTS

### ROBERT CARMICHAEL

**Mr. Wildman:** I would like at this time to take the opportunity to pay tribute to a local painter from Algoma district, specifically from Sylvan Valley in the township of Macdonald near Echo Bay.

The gentleman to whom I refer is Robert Carmichael, who is the creator of the loon design for the new dollar coin, known popularly as the loonie. Mr. Carmichael has gained a great and deserved reputation as a landscape and portrait painter around the area and throughout Ontario and is now certainly developing a national reputation.

He is bringing a great deal of notice to his local area. His contribution to the arts scene in our area and across Ontario and Canada is a very important one. The people of Echo Bay and Sylvan Valley certainly appreciate the fact that his success and the recognition it has gained him is also gaining recognition for his own local area, the very beautiful Algoma district, which is the



setting for the painting that led to the design of the loon on the dollar coin.

I hope that all members of the House will join me in congratulating Mr. Carmichael on his contribution to Canadian culture as well as to our monetary system.

#### PREMIER'S BIRTHDAY

**Mr. Jackson:** Yesterday was the 44th birthday of the Premier (Mr. Peterson). It was on December 28, 1943, that the Premier was born to Clarence and Laura Peterson in the city of Toronto.

This weekend was also significant for the Premier because on Sunday Lorrie Goldstein announced the results of voting by members of the Queen's Park press gallery in a year-end survey. A majority of reporters picked the Premier as almost certain to run for the federal Liberal leadership in the future.

With this in mind, we have obtained some gifts for the Premier, gifts that he will use when he runs for that federal leadership.

**Mr. Reycraft:** Wishful thinking.

**Mr. Jackson:** The member is enjoying this. I know it.

First of all, we have a road map of Canada, which I am sure the Minister of Industry, Trade and Technology (Mr. Kwinter) will find interesting since it shows him there are in fact nine provinces other than Ontario.

Second, since the Premier has already said that lining up at the airport is beneath his dignity, we have obtained a Toronto-London bus schedule for him.

Third, there is a special booklet that lists all the Premier's clear and decisive statements on free trade. Naturally, all the pages are blank. If you flip it over, it also serves as an effective document. It lists all the legislation passed since the election on September 10. Again, in both official languages, it is blank.

On behalf of all members of the House, we wish the Premier a happy birthday.

1340

#### WINE INDUSTRY

**Mr. Dietsch:** The third party, the Conservative Party, has spent many hours in these chambers espousing the views of the free trade agreement, trying to tell this House that the agricultural aspects of the grape and wine industry will be protected.

What about the grape and wine industry? Wine, sure. Some of our estate wineries will survive because of the excellent product they

produce. Despite the Conservatives' efforts to trade this industry away, the estate wineries currently buy approximately five per cent of the 40,000 tons of grapes produced: 2,000 tons, which produce 10 million gallons. Compare that 10 million gallons with the 330 million gallons that Gallo alone produces: 10 million to 330 million.

The commercial wineries have already said they will become bottling plants for American imported juice. What about the grape growers who supply these wineries? Convert to other crops, you say? Most grape soil will not grow other crops. The growers need specific considerations for the transfer of grape acreages. The farming professionals are proud people. They only want to be treated equally.

It is important that this Legislature get behind the Premier (Mr. Peterson) to tell Brian Mulroney the difficulties that free trade are causing in this province.

#### AIR QUALITY IN SCHOOLS

**Mr. Allen:** Earlier this year I raised a question in the House about the air quality in the so-called open-concept SEF schools built in Toronto in the 1960s. The closed air-circulation system appeared to issue in headaches, poor attention spans, high absenteeism and nausea among children, and a similar phenomenon consequently leading to a high turnover among staff.

Now the chairman of the York Region Roman Catholic Separate School Board reports similar symptoms showing up in portables and portapacks installed to cope with high, overflowing student numbers. Tests to date have not pinpointed all the reasons for unacceptably high levels of carbon dioxide and other toxins, possibly traceable to floor cleaners, paints, glues, and so on, used in schools.

With the large numbers of children in such facilities across the province, it is surely time for the Ministry of Education to undertake a study of air quality in schools, particularly those with an enclosed air exchange system of ventilation. The time to do such a study is in these winter months when those operating the buildings are most tempted to avoid increasing heating bills by constant recirculation of internal air without sufficient refreshment from outside air.

Such an elementary study could be of great benefit, not only to the learning environment in our schools and the consequent advancement of students but also to the health of the students and the teachers alike.



## DOCTORS' BILLING PRACTICES

**Mr. Harris:** Recently, it was reported that the Minister of Health (Mrs. Caplan) had ordered an investigation of five Cambridge-area doctors who propose to purchase and maintain, with their own money, a carbon dioxide laser to perform surgery for cervical lesions. The doctors want to charge a fee to cover maintenance costs of the equipment.

This opens up a number of questions: What should be investigated is why doctors have to purchase the equipment themselves. Why do they or their patients have to cover the maintenance costs? With Bill 94, is this another example of deterioration in services that many predicted? If the government is going to ban all so-called extra billing, surely it has an obligation to provide the necessary equipment and services for doctors to practise their trade.

This action also begs another serious question of this government's priorities. They have a full investigation into five gynaecologists who want to save lives, but what about Drs. Morgentaler and Scott? Is there any investigation of what they charge for an abortion at the clinic the government allows them to operate illegally in Toronto? It is more than the Ontario health insurance plan rate. Yet is Dr. Morgentaler or Dr. Scott being investigated for extra billing under Bill 94? What amounts has Dr. Morgentaler billed OHIP for what services since this Liberal government gave him an OHIP number for practice in Ontario? Why is it that the only two doctors in Ontario who are allowed to extra bill by the Liberals are Dr. Scott and Dr. Morgentaler?

## CITY OF NEPEAN

**Mr. Daigeler:** For the record of Hansard, I am proud to announce that Nepean, the city I represent in this House, has been named one of the 10 best places to live in Canada by *Chatelaine*, one of the leading national women's magazines. Our city of 100,000 people was awarded top marks in the January issue of *Chatelaine* for being an organized, clean, safe, and sports- and family-oriented place.

As the magazine says, Nepean is close to major museums and the National Gallery, the Gatineau Park and Ottawa's superb medical centres. Our sports and recreational facilities are unrivalled, real estate is reasonable, the business sector is booming and there is little unemployment, *Chatelaine* reports. I am pleased to confirm this report.

This enviable position is due to the far-sighted planning of our past and present city administra-

tion. It is also a credit to the many volunteer and business groups that make our city a vibrant community. I invite the members of this House to join me in congratulating Nepean on this national recognition.

## TRADE WITH UNITED STATES

**Mr. Wildman:** It is interesting that the member for St. Catharines-Brock (Mr. Dietsch) should make the statement he did in the House today when one reviews the record.

First, this government said it had a veto but did not want to exercise it until it saw the terms of the final agreement. Then they set out some conditions that said there would not be any agreement if those conditions were not met. Then they saw the draft of the agreement and said they could not do anything until saw the final draft. When they saw the final draft, they said that now they cannot do anything until they legislate to implement it.

**Mr. Speaker:** The member's time has expired.

**Mr. Wildman:** It is about time this government took some action.

## STATEMENT BY THE MINISTRY

### MINISTRY OF AGRICULTURE AND FOOD

**Hon. Mr. Riddell:** It gives me great pleasure to inform the House of an important occasion in the history of the government of Ontario. Beginning January 1 of the coming year, the Ministry of Agriculture and Food will be celebrating its 100th anniversary of service to the agriculture and food industry in Ontario.

The Ontario Ministry of Agriculture and Food was established as a separate government department, the Department of Agriculture, in 1888. The provincial government encouraged agriculture from the very early years. For example, legislation in the 1830s granted financial support to agricultural societies and their annual fairs. But it was not until a commission was established in 1880 to look at the state of food production in the province that the importance of the agricultural industry was fully recognized.

Agriculture was separated from other branches of government activity in 1888 and made the sole responsibility of one minister. In that year, Ontario was largely rural, with two thirds of the population engaged directly in farming. Today, farmers represent only three per cent of the population. Since that time, agriculture has moved from a labour-intensive activity that fed some two million Ontarians to today's highly technical business that feeds nine million of us



and exports products to feed people in scores of other countries.

During 1988, we in the Ontario Ministry of Agriculture and Food salute the thousands of men and women of yesterday and today who work to bring us life's most essential element, our food. In keeping with this theme, I will be making a series of announcements in the next few weeks pertaining to my ministry's tribute to the agriculture and food industry and its accomplishments in the past 100 years.

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## RESPONSES

### MINISTRY OF AGRICULTURE AND FOOD

**Mr. Wildman:** On behalf of our party, I would like to join with the minister in congratulating the former and present staff of the Ministry of Agriculture and Food for the work they have done on behalf of the agriculture and food industry in this province. But I think it would be a far more appropriate way of celebrating the 100th anniversary of that ministry if this government were to change the situation which now has Ontario as the last of all provincial jurisdictions in terms of funding, on a percentage basis of its budget, for agriculture.

That is a terrible situation to be in when you also consider that so many farmers in this province are facing a debt crisis that is not being properly responded to by either the Ontario government or the federal government. It is not enough for this minister to say in this House that we need a national plan and that this government is prepared to co-operate with the federal government.

It is time this government took the same approach as other provincial jurisdictions on behalf of the farmers to help them in the current financial crisis that they face, rather than wait for the federal government to act. It would be a far more appropriate way of celebrating 100 years of working for agriculture in this province if we dealt with the problems that the farmers are facing today in Ontario rather than simply have a lot of fluff.

**Mr. Villeneuve:** I also want to add our party's congratulations to the Ministry of Agriculture and Food and its entire staff. One hundred years of success is certainly something to be very proud of.

However, I have statistics here from the Farm Credit Corp. that show, for instance, the reduction in farm land values over the last three years, since 1985, and I believe there was a change in government in this province in 1985.

In southwestern Ontario, for instance, there was a reduction in farm land values of 12 per cent in 1985, 24 per cent in 1986 and 46 per cent in 1987. In northern Ontario there was a two per cent reduction in 1985, a 15 per cent reduction in 1986 and a 21 per cent reduction in 1987, and I could go on and on.

The Minister of Agriculture and Food (Mr. Riddell) mentioned that only three per cent of the population are producers. That is right, and under the kind of leadership that seems to be coming from this government, it may be down to one per cent in the not-too-distant future.

The federal government pumped in \$1 billion last year and \$1.1 billion this year to assist agriculture. The wine growers, for instance, whom the member over here often talks about, are a provincial jurisdiction. This government sits here and negates a free trade agreement as opposed to, as the minister would like to say, grabbing the bull by the horns and making something happen to assist those grape producers here in Ontario.

This government promised to double the budget for the Ministry of Agriculture and Food. What has happened over two years? It has increased it by less than half of one per cent of the provincial budget.

I congratulate the Ministry of Agriculture and Food. I ask the minister to look at our farmers here in Ontario and give them a hand. They need it very badly at the beginning of 1988.

**Mr. R. F. Johnston:** On a point of order, Mr. Speaker: I would like to ask for the unanimous consent of the House to remember a young Canadian who was killed on Christmas Day.

Agreed to.

### JENNY GREEN

**Mr. R. F. Johnston:** As many members will know, or as probably all members know, on Christmas Day, Jenny Green, a young woman from Toronto, was killed in Nicaragua in a very unfortunate accident. I wanted to say a few words about her both because of my own connections with Nicaragua and because members of this House have travelled there and have felt a little bit of the insecurity that one feels when one is travelling in a Third World country that is in the middle of a lot of violence.

Jenny was a young idealist, active politically here in Toronto as well as internationally, and I think she understood well what I hope many members of this House will understand: the connections that are naturally there between struggles of people for liberation in places like



Nicaragua and the struggle to maintain democracy vibrantly in a country like Canada.

She went probably not with the total blessings of her family because, as I know and as anybody else who has been there knows, there are always misgivings before you go and you know that there is always the danger of a surprise attack, a land mine or something like this; but you do not expect there to be an accident of the sort that took Jenny's life. I am sure this made this Christmas a devastating one for the Green family.

I want to say that no matter how you prepare yourself for a Third World experience, especially when there is strife in the area, you can never be totally prepared. It is ironic that five days before Christmas I happened to see pictures of Jenny as a member of an electrical brigade which a dear friend of mine was on just the week before. He was showing me the work she had done wiring a schoolhouse so that kids could get shops and other kinds of things we take for granted up here. It was very sad to me to then pick up the paper the day after Christmas and realize she was dead.

On behalf of my party, with which she had some connection locally, I would like to pass on words of consolation as deeply as I can to the family and to all her friends and to say that she understood the risks, as we all did who went there, and her beliefs were strong. I hope her memory will be strong for all of us as well.

**Mr. Jackson:** Our party certainly wishes to join in the statements just made on behalf of the Green family in expressing condolences at the loss of Jenny and her work. Obviously, her life is a story of a mixture of action and idealism that she felt so strongly that it moved her to go to Nicaragua.

The work that she did is of course a very Canadian and particularly an Ontarian attribute. I am very much mindful of other great Ontarians such as Norman Bethune, whose idealism moved him to go to China, and Lester Pearson with his work in the Middle East, and in no way do we wish to diminish the efforts of one Jenny Green with her work with the peace brigade in Nicaragua.

The circumstances of her death are still quite unclear, but the purpose of her life is very clear. She saw herself in service to mankind, and that was probably the last thought she had on Christmas Day. We join all members of this House in expressing deep sorrow at the loss of this Canadian in her work in Nicaragua.

**Hon. Mrs. Smith:** Thanks to the member for Scarborough West (Mr. R. F. Johnston), I had the opportunity to visit Nicaragua with him and

to see there so much idealism and so much hope about what people in poverty can do to take over their own lives to try to reach out for new existence. But I also saw in Nicaragua amazing numbers of people, church groups and countries that were helping them, that were reaching back to Nicaragua and saying, "We know what you want to do and we will help you do it." We saw cattle farms and we saw electrical plants, both of them contributed in a large part by Canada.

We saw as well many individual people. I know the member for Scarborough West went with a group of teachers and built a school at the battleground end of things, where they indeed took their own lives in their hands. They represent what I understand about all our compassion for the whole situation, and therefore for this particular person, whom I did not have the honour to meet, but I know she represents what so many have done and what I hope we will continue to do to see democracy come about in Central America.

**Mr. Speaker:** On behalf of all members of the Legislative Assembly, I will make certain when Hansard is printed that a copy is forwarded to the Green family so that your words of sympathy are received by them.

## ORAL QUESTIONS

### FIRESTONE CANADA INC.

**Mr. Mackenzie:** I have a question of the Premier. The Premier will be aware of the Christmas present received over the weekend by better than 1,300 workers at Firestone in Hamilton. On January 15, 1988, it is, "Goodbye, it's been nice knowing you."

The Premier may also be aware that Cooper Tire and Rubber is reputed to have said all bets are off and the deal is finished because it cannot get enough government assistance to make it worth its while. Others of us have had real reservations from the beginning about the seriousness of the negotiations by Firestone.

Will the Premier now make public all the facts relating to this situation, what the various parties were asking for, what the bottom-line differences were and what the government was prepared to commit itself to in these negotiations?

1400

**Hon. Mr. Peterson:** I appreciate the honourable member's question, and I must say that I was, like him and other members of this House, profoundly upset when I heard the final news.

As the honourable member would be aware, the negotiations were going on, I believe, in the



order of nine months, at least in that rough period of time, trying to salvage the Firestone situation. The province has been intimately involved in those discussions, as have the federal government and the union.

The negotiations were with Cooper Tire, and I have no problem in sharing with my honourable friend the offer that was made from the province. It was a 20-year, interest-free, \$30-million loan with a graduated repayment schedule commencing through years nine to 20. The federal duty-remission assistance was estimated at \$6 million. A federal training grant of \$6.75 million and the forgiveness of \$13.5 million outstanding under the industry and labour adjustment program gave a total of some \$56 million. The intention of that—and my honourable friend would be aware—was to build a world-class, competitive plant in that Firestone facility.

To the best of my knowledge, it was not a lack of federal or provincial assistance that was the determining factor in Cooper's not going ahead. My honourable friend, as I said, will be aware that we have had many, many discussions. Perhaps I was mistaken, but I was one of those who was optimistic that we could salvage the situation. I do not believe it was because the provincial government was not there in a constructive and thoughtful way that this deal did not go ahead.

**Mr. Mackenzie:** I was aware of the figures. I trust the Premier will also let us know what the differences were in the course of the negotiations that resulted in the failure.

How can the Premier justify the cruel hoax that has been played on these workers who for almost nine months have been kept waiting, hoping against hope that there might be a reprieve for their jobs? As he knows, the negotiations, as far as the workers were concerned, were in secret. They were not privy to the information during the course of the negotiations. They had to request a number of meetings to try to find out exactly what was going on.

This is not how it should have been. Will the Premier now agree with me that all of this could have been avoided if we had in place in Ontario legislation requiring justification of plant closures before a public audit board?

**Hon. Mr. Peterson:** No. I say to my honourable friend I am not sure that would solve the problem in any way. There were ongoing discussions between all the parties; with the union as well, as my honourable friend knows.

I do not believe the reason Cooper did not proceed was a lack of government assistance. I

do not believe that was the issue. It was not as if there were an offer of \$56 million and they wanted \$70 million or \$80 million. That was not the issue at hand.

They looked at all the factors. There were many discussions ongoing with the union leadership, as my honourable friend will know, and he will be aware of some of those discussions. Unfortunately, all the pieces were not able to be put in place. I can assure my honourable friend that I am just as sad as he is. I believe, though, that the government did everything that was possible in the circumstances to try to effect a resolution.

**Mr. Mackenzie:** When is the Premier prepared to live up to his promise to provide legislation requiring justification of plant closures in Ontario? That has been a promise for two and a half years now. Or does he just intend to continue with the current ad hocery on a crisis-by-crisis basis in terms of plant closures? Are there any of his promises that we can expect to be lived up to?

**Hon. Mr. Peterson:** My honourable friend will be aware that we announced not too long ago the creation of an industrial restructuring commission. There is massive change going on in the marketplace, as my honourable friend will be aware. It will be dramatically exacerbated, in our view, if a free trade agreement comes about. We are trying to take a constructive role, as we did in this case.

I say to my friend, we knew about it; he knew about it. We were there from the beginning. I think we played a constructive role. I say to him as frankly as I can that we cannot prevent these things from happening if they are ultimately going to happen. I do not honestly believe that any review board, any Star Chamber, any appeal court could prevent this kind of thing from happening. But I do believe in many circumstances the government can play a constructive role in bringing parties together and looking at alternatives.

We were almost there with the Cooper situation. I am sad it did not come around, but we have many other industries that will need help to be competitive internationally, and we intend to play as constructive a role as we possibly can.

**Mr. Speaker:** The member for Windsor-Riverside.

#### RETAIL STORE HOURS

**Mr. D. S. Cooke:** Thank you, Mr. Speaker. I hope that you and all members of the Legislature



had a merry little Christmas. I have a question to the Solicitor General.

The Solicitor General was reported in the media recently as saying that she believed this past Sunday's shopping frenzy meant that wide-open Sundays were inevitable. If this one-day experience is enough to convince the Solicitor General that this is the ultimate outcome of the government's new policy of dumping this policy-making power on the municipalities, could the minister confirm that it was always the government's intention to have wide-open Sundays and that she simply did not want to take the responsibility for it and so dumped it to the municipalities instead?

**Hon. Mrs. Smith:** I would be happy to say that I want, as much as possible, to discuss with the municipalities and with the people there what their options are and to keep those options as open as possible for them so that they indeed may have that opportunity to control their own situation. That has been the government's policy and continues to be so.

**Mr. D. S. Cooke:** The minister knows that is impossible. Due to the incompetence of her government in ordering the business of this place, later this week we may be considering Bill 51, legislation that will create three classes of worker in the province: retail workers in stores that fall within the guidelines of the Retail Business Holidays Act; retail workers in stores that do not meet the guidelines in the act, and nonretail workers.

Obviously, it is because of incompetence that she has not been able to pass Bill 51, but I would like to ask the minister: When this becomes legislation and she brings in her new legislation next spring that dumps this whole matter on municipalities, who is going to offer protection for workers in this province if they do want a common pause day? How is that protection going to be built in? Is that also going to be dumped on the municipalities?

**Hon. Mrs. Smith:** The member should well understand that Bill 51 deals with stores that are breaking the law. Municipalities will have the power to write their own laws. I would assume that under any new legislation written in by a municipality, if it so elects to make a law that says it will not open, then Bill 51 would come into effect; it simply says that if it is against the law for you to open, you cannot require someone to work there against the law.

**Mr. Reville:** The Solicitor General was quoted in the *Toronto Star* on December 24 as agreeing that the loophole in the Sunday shop-

ping law had created chaos and that she was doing all she could to straighten it out. Do her current comments begin to clear up the confusion—that municipalities are going to hold referenda perhaps and they might want to do that some time in November, when I believe their elections are going to be—and assuming that a municipality decides on the basis of a referendum that it is going to open or close, does that not indicate to the Solicitor General that this confusion is going to go on for at least another year?

**Hon. Mrs. Smith:** I hope that everybody in this House can straighten out in their minds what is very difficult for people outside the House to figure out. We have two separate situations. We have a situation that existed strictly this weekend because of a once-in-seven-years cycle that was discovered by some fancy lawyer in Cadillac Fairview's back office. That is one situation.

We have another situation, which is that the province is going to bring in new legislation to do with Sunday shopping. We will have it in long before seven years from now, so we will not have another weekend like this one where people cannot separate the two things.

1410

#### TRADE WITH UNITED STATES

**Mr. Brandt:** I too would like to join the House leader for the official opposition in wishing the government the very best at this festive holiday season. I certainly hope that Santa Claus has brought it everything it had coming to it.

**An hon. member:** Santa is too jolly.

**Mr. Brandt:** I meant that very generously.

I have a question for the Premier with respect to comments the Premier has made in regard to free trade. The Premier has indicated time and again that the debate on the free trade issue is perhaps the most important debate that will occur in the province and in the nation for some long time to come.

In respect of that, the Premier will be aware that perhaps the only cabinet minister of his government who has spoken in regard to free trade has been the Minister of Industry, Trade and Technology (Mr. Kwinter), who spoke very briefly on the trade issue at the time he introduced his ill-thought-out resolution. Further to that, the total amount of time that I can determine that the government has spoken on this issue is about 30 minutes in all throughout the entire debate.

Could the Premier perhaps indicate to this House when we will be hearing from the Minister of Agriculture and Food (Mr. Riddell), who I



know is very anxious to speak on this topic, the Minister of Culture and Communications (Ms. Munro), the Minister of Industry, Trade and Technology and the Minister of Energy (Mr. Wong)? When will those ministers be speaking on the issue of free trade during the course of this debate?

**Hon. Mr. Peterson:** First of all, let me thank my honourable friend for the generosity of his Christmas greetings and tell him, on behalf of my colleagues, that we all had wonderful Christmases but we all so thoroughly enjoy the honourable member's company we do not mind spending part of the festive season with him. We all know how lonely the member is and we want to be here to try to assist my honourable friend.

My honourable friend raises the question that he would like to hear more speeches from my colleagues on the issue of trade. I thank the honourable member for that idea, because they are thoughtful speeches that my friends have made. As he knows, my colleagues have spoken very widely on this issue of importance.

We wanted to be here yesterday—actually, they were all scheduled to speak yesterday, because one of the things that my colleagues have learned is a certain cogency of intellect, a certain precision of thought. They are able to apply their highly trained minds to these questions and do not necessarily take two and three and four days to make the same point. We were all ready to go, but out of a sense of charity at this time of the year, it was agreed that we would defer to the member for Cochrane South (Mr. Pope), who had such a worthwhile contribution to make when he was here that couple of days this month.

So I say to my honourable friend I think it is important that we have this debate, and I encourage him and I encourage all others to stand up and share their views on this issue. I think that he will see in this government no reluctance to express our points of view as we have in the past and will do in the future.

**Mr. Brandt:** That is a very charitable answer to what I thought was a very specific question related to when the ministers were going to speak. Had you indicated, Mr. Speaker, that the ministers wanted to speak yesterday, I would have made a point of being here. I cannot wait to hear what the Minister of Agriculture and Food and others have to say about this matter and I would like to hear it said here in the House where it can be recorded somewhat accurately.

However, in regard to a statement made by the Minister of Culture and Communications in this House in which she indicated, on December 17,

“My briefing notes indicate that the cultural industries are not in as much jeopardy as we had originally felt,” would it be possible for us to ask the Premier and through him his minister when we can anticipate hearing from that minister in this House and when that minister will be sharing with the other members of this great assembly her briefing notes or her background material relative to that question?

Her response to a question raised by one of my colleagues—I believe the member for Mississauga South (Mrs. Marland)—would indicate that in that particular instance, culture is not as badly jeopardized as the Premier would have the people of Ontario believe. When will we hear from the minister? When will we get the background papers?

**Mr. Speaker:** Thank you. Order.

**Hon. Mr. Peterson:** I would invite the honourable member to ask the minister questions any time that he so chooses. She has spoken widely on this subject; I have spoken widely on the subject.

My honourable friend feels this is the only place where there can be accurate transcription of what we say. I have far more faith in the press than my honourable friend does. I do not think he should launch this vicious attack on the accuracy of the press, who report daily on the things that my colleagues say about agriculture, about the effects on industry, the effects on culture and a whole wide range of activity here.

My honourable friend, I am sure, does not lack the temerity to stand up and ask the honourable minister her views on the cultural questions. As he knows, there were some changes in the final text, particularly with respect to postal rates. I gather that was one of the last-minute negotiations that was traded for a binational panel or pulling transportation off the table. It was part of the last-minute fiddling around with the text.

I am not one of those many others who felt we were going to lose our great cultural identity particularly out of this deal. The question of sovereignty is far more profound than that: the question of economic sovereignty, the question of our capacity as a nation to make our own decisions about the things that affect our own future. That is what I believe the issue is all about, and I want to share that with my honourable friend.

**Mr. Brandt:** In terms of getting some accuracy from this government with respect to the impact of this proposed trade agreement, I look with interest upon the time when the Minister of Industry, Trade and Technology

released a report which indicated that the north would in fact benefit in terms of direct job creation as a result of a trade agreement with the United States.

I also recall the Premier's statement, which was a headline in one of the northern Ontario newspapers, saying the north will get nothing out of a trade deal. Either his minister's statement is wrong in the report that he released or the Premier's statement is wrong.

When will we get an opportunity to hear from the Minister of Northern Development (Mr. Fontaine) with respect to his position on what the impact of free trade is going to be on the constituents he is supposed to serve? The question is, when will the minister—

**Hon. Mr. Fontaine:** We already told you. I have spoken.

**Mr. Brandt:** If the minister wants to answer the question, I would be quite prepared to ask the minister directly—

**Mr. Speaker:** What is the question? You were getting to it.

**Mr. Brandt:** —but I ask the Premier, other than the musings, the mumblings that we cannot understand over here in the House from the minister, when can we in fact get some straight answer from the minister with respect to the impact of free trade on northern Ontario?

**Hon. Mr. Peterson:** Let me just go back and try to take seriously this question from my honourable friend. This government has a very strong view about the benefits of this trade agreement from two points of view. Number one is that we make a good deal, and we do not believe that we made a good deal. In other words, we gave away more than we got as a nation. Number two, we believe it is going to have effects on this country over the next five, 10 and 20 years that a lot of us will not like to behold at that point in time.

Those are judgements, frankly, that no one—I admit this—can make with absolute certainty now, but I think it is a question that people apply their values, their judgement, their wisdom and their political philosophies to and draw certain conclusions. Just as you have every right to do that, this government has done that as well.

We have tried to conduct this debate in as intellectually honest a way as possible. We are not cooking the numbers. We are not trying to say there are not winners as well as losers. We are sharing all the information as best we possibly can, and then we are, as a responsible government, drawing our own conclusions. We believe

the automotive industry loses. We believe there are a number of others. The food processing industry will be a big loser, and as a result of that, agriculture as well.

We do not believe we have achieved the big gains for the resource industries that others believe we have achieved, because we have not achieved secure access. My friend will recall that the primary reason for going into this discussion with the United States was to achieve secure access for our goods, particularly resource-based industries, in the United States. We have not achieved that, in our view, so for all of—

**Mr. Speaker:** Order. I think that is a fairly full answer. New question?

**Mr. Brandt:** I would like to continue. I ask three questions.

**Mr. Speaker:** And the question is to which minister?

#### RETAIL STORE HOURS

**Mr. Brandt:** My question is to the Solicitor General, and it is with respect to two quoted comments that have appeared in yesterday's paper and that of the day before, relative to this long, ongoing problem of the Sunday shopping question.

The Solicitor General indicated that there was "chaos" with respect to the enforcement of the Retail Business Holidays Act. She also went on to say that the government had "lost control" of the Sunday shopping issue. I wonder if the minister could confirm the accuracy of those statements and indicate what she intends to do, in co-operation, of course, with the Attorney General (Mr. Scott), to try to bring about some damage control on this issue.

1420

**Hon. Mrs. Smith:** As I have already said, the situation that existed came about through a loophole in the law that is now a thing of the past. Before this loophole occurs again, which will be in seven years, the law will be different and we will have no problem. The confusion that exists is not a confusion in the shopping place so much as a confusion of people's thinking in trying to understand the distinction.

**Mr. Brandt:** Speaking about shopping on Sunday, the minister said, "If charges are laid, then we would probably go ahead under the act." A spokesperson for the Solicitor General's ministry said that stores opening on December 26 "should be charged because it is strictly illegal." Then today we read that the Solicitor General admitted that charges laid this past weekend will



be difficult to prosecute because of the confusion created by the government. What is her response to that?

**Hon. Mrs. Smith:** I once again reiterate that the confusion is not because of the government; it is because of a loophole that was found in a law that exists only this year which was not discovered until too late to correct the loophole and which did indeed create a problem.

**Mr. Brandt:** The minister does not seem to realize that the problems she has created with respect to this question not only involve police forces and retail stores but also involve the people who are going to have to work in those stores.

I would bring to the attention of the minister and of the Premier (Mr. Peterson) a full-page ad that appeared in the London Free Press from one of her constituents. If I might just very briefly, Mr. Speaker, it reads:

"We urge you to stand strongly behind your original legislation. Do not pass the buck. While we value our customers immensely, we think that they would agree with us. On Sundays, it is more important to be with our families than in our stores."

Will this minister, responding to the signatures of literally dozens upon dozens of constituents in the minister's municipality and from a business that has been in operation in London for some 110 years, which is taking a very firm stance on this question, indicate to the people of Ontario whether she and her government are prepared to do anything to reduce the incidence or stop the incidence of openings on Sunday, which the Premier agreed to do in August 1987 just prior to the election and which this government has now simply passed on to the municipalities? Is the minister prepared to do anything other than to create more chaos and more confusion and continue to pass the buck?

**Hon. Mrs. Smith:** I recognize, as I think the member for Sarnia must recognize too, that the tourist exemption that was in the law we had could not hold its place in law, because to define tourism as it would be appropriate to London, Grand Bend, Parry Sound and Toronto cannot be done. We have found ourselves unable to find a tourism definition that will apply to the whole province. We are doing everything we can to make it possible for municipalities, including London, including where Braille Copp lives, to have the choice, if they wish, to make their own decisions locally.

## TRADE WITH UNITED STATES

**Mr. Mackenzie:** I have a question once again of the Premier. Will the Premier comment on the recent article in the Globe and Mail in which the Institute for International Research plans seminars for the real decision-makers in Canadian companies who are thinking of relocating south to the United States with the advent of a free trade deal?

Does he not agree that these leeches and their \$500-a-day fees make it clearer than ever that working people in this province need a government that is willing to say, "No deal, no way," to the Mulroney trade deal, instead of the resolution we have before us, which simply says that if they do go along, it will be because the feds tell them they have to?

**Hon. Mr. Peterson:** I read that article, I believe on the front page of the Globe and Mail, about some private sector organization that is sponsoring seminars, I gather, trying to persuade companies to move to the United States. I guess that is a private sector entrepreneurial response by some who think, as I do, that this deal will favour companies moving to the United States. I am not sure we can pass a law to prevent that kind of company from operating.

That being said, it exacerbates indeed the fears I have. I have talked to a number of companies, a number of senior executives, and some would like the flexibility. Of course, why would they not like the flexibility? It removes the necessity for them to be here in Canada and gives them the option of moving to the United States.

I am not sure there has been any uptake on that particular ad or that particular series of seminars. I do not know if anyone has taken advantage of the situation, but it is one more little bit of evidence, it seems to me, or one more kind of thing we will probably see more of in the future, as entrepreneurs rush in to take advantage of the situation. Unfortunately, none of that is in the national interest.

**Mr. Mackenzie:** The Premier will see from the article that the emphasis is clearly on doing the workers in. Some of the topics are "lower labour costs in the US," "the question of which country has a more favourable environment for business," "US trade unionism in retreat" and "repatriation of US branch plants."

Does the Premier not agree that, while he is posturing in this House with what is really a wimpy resolution, there is already a growth industry developing to make money for the exploitation of workers under the terms of the Mulroney trade deal, and does he not believe that



this puts his current charade over free trade in its proper perspective in Ontario?

**Hon. Mr. Peterson:** My honourable friend sees it in conspiratorial terms and I do not see it that way at all. I see it as a great mistake. One of the realities is that we do compete with a variety of other nations and we always have to keep all those factors in mind. I believe, as I think my honourable friend believes, that this will be exacerbated under the so-called trade agreement. We will see more and more of that kind of thing going on. It is things like this that my honourable and good friend the member for Sarnia (Mr. Brandt) is going to have to explain more and more, as I think we will see those things happen in the future.

One of the things we see is the tariff situation, where our tariff situation is three to four times higher on average than it is in the United States. I recognize that there are winners—bulk petrochemicals, for example, processed fish—but not many in tariff terms, and there will not be the same incentive for some of those companies to stay here as there was in the past. It is very interesting.

Jacques Parizeau, great free-trader, who is now pretending to be the leader of le Parti québécois in Quebec, said in an interview I saw not too long ago that if he were the Premier of Ontario he would be very much against this deal because he does not see the free trade deal being in the interests of Ontario, even though he sees it in the interests of Quebec.

I say to my honourable friends, if this is indicative of a trend, it is going to be a very worrisome one.

Now we have a group, I gather, Mr. de Grandpré, looking at the readjustment costs of this matter. Can you imagine anything more ridiculous? He said he is not going to spend any money and he is not going to assist with readjustment. How they could choose a man like Mr. de Grandpré, who has a preconception that nothing is going to happen, is beyond me. At the same time, Donald Macdonald said we should put aside \$4 billion for readjustment. Now Mr. de Grandpré apparently does not want to put anything aside. That is the kind of damage the federal government is prepared to inflict without any plan to cut the damages.

#### RETAIL STORE HOURS

**Mr. Harris:** Now that the Premier (Mr. Peterson) and Mr. Parizeau are bosom buddies and agreeing on everything, that bodes well for Ontario.

I would like to ask a question of the Attorney General. I have been reading clipping after clipping on the weekend events and, given the obvious confusion felt by almost everyone in the province over the store openings, with the possible exception of the superintelligent, he and the Premier, and given that he has already taken the enforcement of the law into his own hands and signalled that no prosecutions would proceed on charges that were laid on December 27, would he tell us what the superintelligent people plan to do about prosecutions on charges that were laid December 26?

**Hon. Mr. Scott:** I think our policy on prosecutions as of December 27 has already been made plain and it is not going to change. It should be observed that Saturday, December 26, was across Ontario a fairly typical closed day, such as a Sunday is a closed day under the legislation. For example, only 21 charges were laid in the city of Toronto, which is fewer than there would normally be, even on a Sunday.

1430

On Sunday, December 27, on the other hand, the open nature of the day was made plain as a result of our policy, and I notice from reading the press that it does not appear to have been very different in Ontario, and in particular Toronto, from what it was in Montreal, or Edmonton, or Calgary, or Vancouver, or Victoria. I think, on the whole, the system went through.

**Mr. Harris:** Were charges laid in Victoria?

**Hon. Mr. Scott:** No, they were not, by the way.

**Mr. Harris:** Then clearly that gets to the gist of my question. Charges were not laid in Montreal or in Victoria. The minister said the 26th should have been clear to everybody, and yet the Solicitor General (Mrs. Smith) says there was chaos over the weekend. She says there were “differing interpretations of the law by various police forces”—which I guess cannot keep up with the Attorney General’s supersmarts—“across the province which contributed to the chaotic legal situation.”

We had problems in 1985. The Premier said, “We will solve them for 1986.” We had bigger problems in 1986. Here is what he said on May 22: “I think we owe it to people, particularly for the next pressure point, which will be the Christmas season”—the one we just had—“to tell them exactly what the law is and make it enforceable so that everyone follows those rules.” Clearly that did not happen.



**Mr. Brandt:** Who said that?

**Mr. Harris:** That was leading into the campaign; that took them through that.

Clearly, it is worse again in 1987. The Attorney General took the law into his own hands for the 27th. Given the confusion acknowledged by the police and the Solicitor General, does he not feel he should take the same law into his own hands, which he seems to be able to do, and not proceed with charges that were laid on the 26th?

**Hon. Mr. Scott:** It may be a demonstration of arrogance that I am reluctant to put forward at the present moment, but I have more confidence in the ordinary people of this province than the member for Nipissing has. In fact, the ordinary people of the province responded in general compliance with the law over the last weekend.

On December 26, which was Saturday, Boxing Day, a day closed under the Retail Business Holidays Act, the stores of the province, by and large, remained closed. As I have said, in Metropolitan Toronto there were only something in the neighbourhood of 21 charges laid, which is a low figure for a normal Sunday over the last year of our history.

Now, with respect to Sunday the 27th, we made our policy clear in the light of the loophole in the legislation which would have permitted small shops to stay open but not large shops. We judged that to be a case in which there should be no prosecution of those large shops that elected to stay open. The people of the province understood that, and on Sunday they went shopping in large numbers, just as the people in Montreal, Edmonton, Calgary, Vancouver and Victoria did.

#### HOSPITAL FUNDING

**Mr. Faubert:** My question is to the Minister of Health. As the minister is aware, Scarborough General Hospital, one of Ontario's largest, most efficient community hospitals, has submitted an exciting redevelopment plan to the Ministry of Health. Its plan combines an innovative medical-mall concept with community outreach facilities much needed by the residents of Scarborough.

As the minister is further aware, the severe shortage of space and the current need for outpatient care make this project a high priority for the residents of south-central Scarborough. Will the minister assure us that early consideration will be given to funding this exceptional redevelopment project?

**Hon. Mrs. Caplan:** Let me note that all of my colleagues from Scarborough have discussed this matter with me. There are a number of hospitals

in the province which at any given time have proposals within the planning process in the ministry. Let me assure the member and all the members from Scarborough that the matter is currently under review and that the proposed redevelopment will be considered in the light of the long-term requirements for the region.

**Mr. Faubert:** I understand the chairman of Scarborough General Hospital has invited the minister to visit the hospital to experience at first hand the excellent service Scarborough General provides to the residents of Scarborough and to view and discuss the hospital's plans. Will the minister advise whether she will meet with the administration of Scarborough General as requested and when such a meeting could take place?

**Hon. Mrs. Caplan:** As I think most members in the House are aware, the numbers of requests for meetings are very great, and I have been asking those who have been calling and sending letters to keep the cards and letters coming. I am attempting to meet with as many as I can. I want the member to know that it is my intention to meet with as many of the hospitals as I can in the next year, and I hope that I will be able to meet with Scarborough General, whose reputation I am very well aware of, early in the new year.

#### NORTHERN AIR SERVICES

**Mr. Pouliot:** My question is to the Minister of Northern Development. When will the minister give us the assurance that he will initiate the norOntair service in northwestern Ontario to upgrade the existing runs between Thunder Bay, Atikokan, Fort Frances and the township of Kenora?

**L'hon. M. Fontaine:** Je tiens à remercier le député de Lac Nipigon de sa question. Premièrement, je dois lui rappeler qu'il devrait regarder combien de passagers voyagent d'Atikokan à Thunder Bay. Je crois que c'est moins de un; alors, je ne crois pas que ça justifie un Dash-8 à Atikokan. Je suis d'accord avec lui qu'en ce qui concerne Kenora et Fort Frances, on va les regarder.

Comme il le sait, et je dois le lui rappeler, le premier Dash-8 est retourné au manufacturier pour passer un examen pour la sécurité. Avant que cet avion revienne, on va regarder ce que l'honorable député me demande. Mais une chose que je dois lui rappeler, c'est qu'il n'y a pas de Dash-8 qui voyage avec une personne.

**Mr. Pouliot:** I would like to thank the minister for kindly reminding the House, and I quote verbatim, that "less than one person utilizes the

service between Atikokan and Thunder Bay.” How can that be? I guess plus ça change, plus c’est la même chose.

I am aware the minister adheres to the school that the marketplace always chooses better. Therefore, he will not be surprised that rumour has it the government is intent on selling norOntair, its service and equipment. If so, will the minister kindly give us the assurance that the existing runs will be maintained and that a sense of the common people of the north will give them access to a reasonably priced ticket in the event he should decide to sell norOntair?

**L’hon. M. Fontaine:** Je dois rappeler au député de Lac Nipigon que je n’ai pas dit qu’Atikokan n’aurait pas de service. J’ai dit, peut-être qu’il n’y aurait pas de Dash-8 pour transporter une personne.

Une chose que je veux dire, c’est que this government is committed to quality air service in the north. If we ever privatize this service, we will guarantee that the people who are bidding will give the status quo or better service. That I guarantee or there will be no sale.

Second, we are looking at the preservation of the jobs. As the member knows, we were stuck by the previous government with the big hangar in Sault Ste. Marie that cost us over \$1 million. Now, we have to be sure that this hangar is sold to the bidders, because otherwise we do not want to be stuck with a garage.

**Mr. Wildman:** But René, what is your bottom line?

**Hon. Mr. Fontaine:** The bottom line is that we are looking to privatize for sure, but I am looking in a way that nobody will suffer. Those seven areas, like Atikokan, Red Lake and Hearst, that are part of that, the seven areas which are below money-making, will be protected, if it is accepted by cabinet, under some grants.

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#### EMERGENCY TELEPHONE NUMBER

**Mr. Eves:** My question is to the Solicitor General. I am sure the Solicitor General would agree that the 911 emergency service number is very important to fire departments, police departments and ambulance services to provide emergency response to some very crucial situations. Can the Solicitor General please tell us why the 911 number is not available to every resident everywhere in Ontario?

**Hon. Mrs. Smith:** That is a very important question. I was not aware that it was not available

throughout the province. I would be glad to inquire into that and see what can be done to make it universally available.

**Mr. Eves:** There have been several instances lately in the newspapers, one as recently as today—as a matter of fact, this morning—where responses were not provided because 911 service was not available. The fact remains that there are many municipalities throughout Ontario—as a matter of fact, there are only some 11 municipalities in the entire province currently that have 911 service. Mississauga, for example, does not have 911 service. The city of Orillia cannot afford the service, because it cannot afford the \$90,000 that it costs to install.

I think the inconsistency of the service throughout Ontario not only is creating confusion for Ontario residents but is also a very serious situation because, more important, it is costing emergency response time and lives are being lost. Will the minister give this House an undertaking today that she will make this service available to all residents in Ontario and provide the necessary funding?

**Hon. Mrs. Smith:** I have accepted, as I said in the first answer, that this is a very good suggestion that 911 should be a provincial number right across the province. I am more than happy to look at it. I do not know what is entailed either legally or financially in making it available right across the province, but I would be happy to look at it because I do believe that the people who live in London or Toronto may visit other places and might indeed pick up the phone and like to call that number.

#### INDUSTRIAL RESTRUCTURING

**Mr. Owen:** I have a question for the Minister of Industry, Trade and Technology. In the north end of my riding is the city of Barrie. In large part, Barrie relies upon branch plants for its degree of prosperity. It has been brought to my attention consistently over the last number of months by the employees of these branch plants that they are worried that they are going to be losing their jobs and that the branch plants will be returning to the United States in the event the free trade pact is signed.

Has the situation of communities like Barrie and the concern over their jobs been brought to the attention of the federal government in the negotiations? And what is going to take place to protect these people in the event that their worst fears are realized?

**Hon. Mr. Kwinter:** I am sure all members will know that during the negotiations they had



groups set up called sectoral advisory groups on international trade, which represented various sectors in the economy, to take a look at what would happen to them. There is no question in my mind that we in Ontario, particularly southern Ontario, are greatly at risk.

The study I released showed that 400,000 jobs are at risk because we are a branch plant economy and because we do have a large manufacturing component. This is something about which we had indications, but unfortunately we are getting mixed signals. We have the Prime Minister saying that there are great amounts of funds available, there is a terrific restructuring program going on; and then we have the Minister of Finance saying there is no money available.

I wish I could give the member some assurance. I can tell him that there are some great concerns, and we are just going to have to watch it and see what we can do with it.

**Mr. Owen:** The logic is there. We have a higher minimum wage; we have less stringent labour laws; we have a situation where there are greater economies of scale should they relocate back in the United States. I can remember when these branch plants came here. The only reason they came here was that it was the only way they could get access to sell to us.

If the worst does happen, are we getting any assistance from the federal government to try to cope with the loss of these jobs and the loss of these branch plants?

**Hon. Mr. Kwinter:** I am sure members will know that last week I announced the appointment of an industrial restructuring commissioner. With or without free trade, there are manufacturing jobs that are at risk just because of the new technology that is engulfing the world. It is not peculiar just to Ontario.

To get to the honourable member's question, we have had no indication at all as to whether or not the federal government is prepared to provide any funds for an adjustment program. The Premier (Mr. Peterson) commented in a response to another member earlier today that the man who has been put in charge of the project has said there is no money available. I can tell the member that a lot of the hardship that is going to befall the workers in Ontario is a direct result of the federal government's initiative on free trade, and it has an obligation to make sure that it addresses the problem.

#### TIMBER INDUSTRY

**Mr. Wildman:** I have a question of the Minister of Natural Resources following up on

his statement last week that everything was strong in the timber industry in northern Ontario.

Is the minister aware that lack of timber is the cause of two sawmills in the Wawa area being currently shut down, one permanently and the other with a deadline of December 31 for permanent shutdown unless there is an allocation of timber? There is a shortage of timber, and all that is available on crown land is currently committed to St. Marys Paper, Dubreuil Brothers and G. W. Martin Veneer.

**Hon. Mr. Kerrio:** That was one comment I made resulting from the report. The only problem I see in some areas is not having the species that are the particular ones for those areas. I also have been very aggressive and active with my foresters to relate to the question the member raises, and I am prepared to do that now, to examine those circumstances. I think we have been most helpful in many cases where there needs to be reallocation or help to the district cutting licences, as the member for Lake Nipigon (Mr. Pouliot) asked for a week or 10 days ago. Yes, I am very much prepared to examine that kind of problem that may exist and see what we can do about it.

**Mr. Wildman:** The two mills to which I refer are small DCL operations. Since one of the larger companies to which the timber is already committed is G. W. Martin Veneer, which is currently involved in negotiations for its two mills, one in Searchmont and the other in Sault Ste. Marie, can the minister make the commitment today, and reconfirm the commitment he made last year, that in order for G. W. Martin to maintain the limits it now has, it must continue to operate the Searchmont mill?

**Hon. Mr. Kerrio:** I certainly am very willing to examine that and take into account what the honourable member is suggesting. It will not be the first time the ministry has intervened where it could impact on licensing arrangements, whether it be for the initial licence holder or the third-party arrangements over the area. I am very much prepared to examine the situation and report, when I have information, to the member.

#### ASSISTANCE FOR THE DISABLED

**Mr. Cousens:** I have a question for the Minister without Portfolio responsible for disabled persons. The minister will have received a letter from a constituent of mine who was born deaf and blind. His mother wrote the honourable minister and asked for some help, because this boy has been going to the W. Ross Macdonald School for 15 years and graduates from the



program this spring. She is concerned with what is going to happen to him in the future.

In the minister's response he says in his letter, "My staff will monitor progress and I would hope that the matter might soon be resolved." Could the minister please indicate to me and to his mother and others what he means by monitoring progress?

**Hon. Mr. Mancini:** The honourable member asks a very important question; that is, once young people reach a certain age, services which were given to them are no longer available to them. At this time, we would like the honourable member's assistance in helping to monitor these particular situations where people such as the young person he mentioned, who has been receiving some particular services and now, because of his age, no longer receives that type of service—we want the member's help and the help of any other member in the House to see what in fact happens. At the appropriate time, I will be working very closely with my colleague the Minister of Community and Social Services (Mr. Sweeney) to see what programs are essential and what programs the government can fund.

1450

**Mr. Cousens:** One wonders when the time has come. This deaf and blind boy was born deaf and blind and has been in this school for 15 years. There are seven other graduates who will be completing the program this spring. The ministry has offered to allow them to stay in the program for one more year, but we have known for 15 years that there is going to have to be a carry-on program once they had completed the course at W. Ross Macdonald School.

Why is it that the minister will not become an advocate for progress, become personally involved in this kind of situation and try to come up with a solution for these young people who have personal goals to complete? They want to get on with their lives and develop a program that is meaningful for them once they are through that program. Can the minister not personally get in charge and get involved?

**Hon. Mr. Mancini:** The member asks a very important question and touches on some very sensitive issues here. I am an advocate for the disabled and I do get personally involved on many different occasions. This government is firmly committed to advancing the situation that disabled people find themselves in today. That is why the Premier (Mr. Peterson) only two years ago established a ministry for the disabled. We did not have a ministry for disabled persons prior

to the Premier forming a government in this province.

When the member was in office, his government had a small unit of approximately five people in the old secretariat for social development, which did or did not do some good. We are committed to advancing the future goals of all disabled people here in this province. I am planning on working very closely with the Minister of Community and Social Services, and any other minister that I have to, to ensure that appropriate change takes place as quickly as possible.

#### PSYCHIATRIC ASSESSMENTS OF DETAINEES

**Mr. Callahan:** Over the Christmas holidays I had occasion to attempt to assist constituents of mine, who are also good friends, with reference to their son who is a very ill young man. In doing that, I discovered that when a person is placed in custody at the local detention centre, even if the detention centre is made aware of the fact that he or she perhaps could be suicidal, he or she is not listed on the particular list indicating that person is to be looked upon as a possible suicide unless he or she has been seen by a psychiatrist and that determination is made.

I would ask the minister if he is aware of this. If he is not, would he look into the matter and arrange that the centre could at least accept the statement from all and sundry that a person may be suicidal and make certain that he or she is in fact listed as suicidal so that the appropriate authorities can look after his or her wellbeing?

**Hon. Mr. Ramsay:** In answer to the member's question, it is my understanding that routine procedure for offenders entering our institutions is that a complete medical examination is given to each offender as he or she enters the system. At that time, a determination would be made whether the offender is deemed to be potentially suicidal or not and appropriate measures are taken at that time.

#### SINGLE PARENTS

**Mr. Allen:** I have a question to the Minister of Community and Social Services.

In quick succession, the Offord report on children on welfare, the Ontario Advisory Council on Women's Issues and now David Greenspan, as chairman of the Ontario Housing Corp. and after spending 48 hours trying to cope with the life of a welfare recipient, have all come to a common conclusion. If I can quote Mr. Greenspan: "The major factual finding was that a



single parent on social benefits, even with a very high level of rent subsidy, cannot attain an adequate level of nutrition. There has to be other help."

In the light of this, would the minister care to comment on the question that I put to him last week regarding the two cases in which it was suggested at least that two individuals, whose circumstances we looked at after his co-resident minimum penalty of \$40, in fact ended up with less money than they had in the first place under social benefits, and will the minister assure us that he will see that this kind of result under that program does not happen in future?

**Hon. Mr. Sweeney:** Following the honourable member's raising of that particular question, I asked members of my staff to review the very specific circumstances he provided me with. I have since been assured that, in those two particular circumstances, the distribution of shelter costs would remain the same both before and after November 1.

The member perhaps might remember that the specific point in question was whether or not the sharing of shelter would automatically be 50-50. It is presumed that it would be 50-50, but if the two parties make a different arrangement and notify the family benefits office of that arrangement, that arrangement is respected. That is why in the two particular cases he brought to my attention there would have been no change either before or after November 1.

I am unable, however, to indicate that in no situation may there be a change. I certainly will look at any specific example that is brought to my attention, but in the case of the two, no change would have occurred.

**Mr. Allen:** I would be surprised if the minister would not undertake before this House at least to give us assurances that he will do all he can to make certain that where the impact is an adverse one and the parties in question end up with less income than they had in the beginning, he would be prepared to go to bat on their behalf and to see that this circumstance in fact is righted through regulation or whatever.

But might I ask the minister why it is that so often under the system as administered by his ministry it appears that whenever someone who is a client on family benefits or general welfare tries to get a leg up on the system, he somehow gets a putdown the next day. The minister, for example, recently provided a maximum \$27 increase for single employables under the welfare system, but then the co-resident penalty appears to kick in and to wipe out all of that. The

court recently allowed a single mother the family benefit allowance for a dependent child over 18 years of age, and then the ministry appeared to kick in with an attempt to close the loophole to see it would not happen.

**Mr. Speaker:** The question.

**Mr. Allen:** How are single parents in Ontario going to get ahead, as the minister professes he wants to see them get ahead, if every time they take a step forward they seem to get put down the day after by some regulation, some ruling or some new piece of legislation in his ministry?

**Mr. Speaker:** Order. The question has been asked.

**Hon. Mr. Sweeney:** I would put to the honourable member that the recent change with respect to a spouse in the house will result in at least 9,000 single parents being better off afterward than they would have been before, so that is a very significant change.

The honourable member will also be aware of the fact that we have approximately 75,000 single parents on our family benefits program, and there has to be some sense of fairness and equity in how we treat each of these people. That is why you need rules and regulations in place. We cannot leave it totally to the subjective decision-making of whomever they happen to end up coming to.

However, I certainly want to concur with the honourable member's observation that our responsibility is to provide every assistance, every support and every encouragement for single parents, the disabled—whoever happen to be recipients of our support programs—to better themselves.

For that reason, one of the major thrusts of my ministry over the last several months and into the next two or three months is to find ways of improving the incentive programs and getting rid of the disincentive programs so that single parents in particular may go into part-time or full-time work and get support for their child care needs, their transportation needs and their training needs. I can share with the honourable member that that is well on its way.

1500

## PETITIONS

### LOCATION OF HOUSING AUTHORITY

**Mr. Villeneuve:** I have a petition to His Honour the Lieutenant Governor of Ontario and the Legislature of the province of Ontario:

"We, the undersigned, all of whom are tenants of the Grenville and Prescott Housing Authority



at The Pines, Kemptville, understand that the Grenville and Prescott Housing Authority and the Leeds and Brockville Housing Authority are to merge, with all offices and services moved to Brockville. It is our opinion that as one of the farthest apartment units from that proposed office in Brockville, the service and rapport that we have had, stretched at some times, with the Prescott office will definitely not stretch as far as Brockville.

"We in Grenville county have a larger-than-average percentage of the population 65 years of age and over. As evidence of this we have enclosed excerpts of catalogue number 94-111 1986 Census of Canada with the percentages marked on the map for comparison.

"This, we feel, is not only a matter of facts and figures, but it is also a very highly charged, emotional one. We are people. We need contact with other people we know and work with.

"If you would like further input, please contact us at our building."

I have another petition, again to His Honour the Lieutenant Governor of Ontario and the Legislature of Ontario:

"We, the undersigned, all of whom are tenants of the Grenville and Prescott Housing Authority at The Maples in Spencerville understand that the Grenville and Prescott Housing Authority and the Leeds and Brockville Housing Authority are to merge, with all offices and services moved to Brockville. It is our opinion that as one of the farthest apartment units from that proposed office in Brockville, the service and rapport that we have had, stretched at some times, with the Prescott office will definitely not stretch as far as Brockville.

"We in Grenville county have a larger-than-average percentage of the population 65 years of age and over. As evidence of this we have enclosed excerpts of catalogue number 94-111 1986 Census of Canada with the percentages marked on the map for comparison.

"This, we feel, is not only a matter of facts and figures, but it is also a very highly charged, emotional one. We are people. We need contact with other people we know and work with."

This is signed by nine residents at The Maples.

**Mr. Speaker:** There are quite a number of private conversations. They may be necessary but they are rather noisy.

#### RETAIL STORE HOURS

**Mr. Mahoney:** I have a petition signed by 534 people, residents of my riding who are employees at the Square One shopping centre. It reads:

"We, the employees of Square One, have signed this petition to show our disapproval of Sunday openings. We feel that the stores are open 9:30 to 9:30 Monday through Friday and 9:30 to 6 Saturdays, ample time for the public to do their shopping."

#### ORDERS OF THE DAY

##### TRADE WITH UNITED STATES

(continued)

Resuming the adjourned debate on the amendment to government motion 8 on the proposed trade agreement between Canada and the United States.

**Mr. Cousens:** I would like to begin the final part of my remarks because indeed, though there is much yet to be said on the free trade agreement between Canada and the United States, I know there are many others who want to participate and I will cut my remarks short.

I believe, however, that what is happening here in the House shows at least two things about the leadership of our province and I think it points up a major flaw in the strategy of the Premier (Mr. Peterson). The Premier has chosen to ram this resolution through the Legislature rather than work out a compromise.

There are ways in which this resolution could have been directed to the standing committee on finance and economic affairs but, instead, the Premier has decided that this House is going to resolve this resolution and will do it during the Christmas holiday or at any other time because he wants it done that way, when in fact there was a desire on the part of many of us to work out another way of handling this resolution. It could have been studied in committee—the committee would not have been constrained by the wording that is in this resolution—and then the committee could have come forward with its own thinking rather than being so directed as this resolution does.

So the bad choice by the Premier was to ram this through the Legislature. He has chosen to fight the agreement rather than to be a conciliator, and I think this is a time for Ontario to show that we can be leaders in Canada and that we can work for all our country. Here is a true example where leadership is needed. Our country can fall so widely apart, and yet on an agreement such as this we could be pulling together.

If the Premier and his government would come together and work with the federal government to make free trade work in Canada and work in Ontario, it would generate wealth, it would generate jobs, it would do many good things for



us. If he was even able to find some way of working towards the resolution of the problems he has with the agreement, that in itself would show good intentions, and those intentions are lacking; they are lacking in the resolution, and they are lacking in the speeches he has given.

The Premier has chosen to find the ways in which the agreement will fail rather than to find ways to make it work. You can make anything fail if you want to, but if you want, even an agreement such as this free trade agreement between Canada and the United States can be made to work. Although it is flawed and is not perfect, Ontario could say: "We will help make it work. We will stand behind it. We will help make it go. We are Canadians first and Ontarians second. We know it is not going to be easy. We know we are going to have to make concessions to help those people who could be hurt by the free trade agreement." If that kind of intention came forward from this government, I would have great feelings that this country could come together and enjoy more prosperity than it has ever had before.

The bottom line for me is that it has been a bad choice for the Premier to fight free trade, to continue the fight and to continue to try to undermine it.

I think it is absolutely wrong for this resolution to be placed in this House now. The timing of the signing of the agreement for the Prime Minister of Canada and the President of the United States is January 2. That we are debating this resolution now is not going to impact the signing of that agreement one whit. The fact that this resolution has been tabled before public hearings and discussion by the standing committee on finance and economic affairs have been held also prejudices what the committee members of this House could do and might want to do.

I also think it is wrong for us to be in the middle of this debate, which I believe to be the most important single debate of this parliament, while the Premier has already tabled a letter to the Prime Minister of Canada and others outlining his disagreement with the free trade agreement. Because he did not get the resolution passed, he has gone ahead and sent his own letter anyway. That is his prerogative as Premier, but the reason he wanted this resolution to be approved quickly before Christmas was so he could send the resolution itself. Now that he has sent the letter, why does he continue to make it necessary for us to debate this?

I believe this is a most important debate. As we lead into it even further, I hope the people of

Ontario and of Canada will see there are many benefits to be had. I do not think there is any doubt in the minds of all of us that it is not perfect, but it is certainly better than if we did not have a free trade agreement.

Why is it that the Premier, the Minister of Industry, Trade and Technology (Mr. Kwinter) and others have not answered the next question: what would we do if we did not have a free trade agreement? What is the answer to that question? The answer is that we would continue to have the obstacles that are building between our country and the United States. We would continue to have tariffs. We would continue to have problems in our trading patterns. With this agreement, we are breaking down those walls, we are breaking down those barriers. Why not answer that question? If we did not have a free trade agreement, what would the Premier do? What would this government do? What would this country do?

We need this agreement. We know we need it. The evidence has come into the Premier's office and through the public hearings that were held on free trade. The evidence has piled up in support of free trade. Why have all those reports not been tabled in this House? That is another reason this debate should be delayed, until all that data is made public.

Ninety per cent of Ontario's exports go to the United States. That is over \$56 billion a year or \$6,000 per capita. The United States is our most significant trading partner. They are friends of ours. They are people with whom we have had a close relationship for many years. Let us build on that relationship yet maintain our sovereignty, our independence, our freedoms and the distinct independence we have in Ontario and as a country. We can do that. The free trade agreement between Canada and the United States makes that a possibility.

I believe there are significant benefits from the free trade agreement. I have tried to touch on a number of the aspects over the last several parts of my speech that dealt with the process, that dealt with a number of the things that are included in it that affect different areas of life. I would like to move to my summary.

#### 1510

First of all, the auto pact is not only maintained, it is improved and made more secure from political attack. There is not any doubt in the mind of any reasonable person that if we were to renegotiate the auto pact by itself, we would not end up with a good agreement. There are so many things that are flawed in our relationship



now with the United States that if we took that one agreement and tried to work out a deal with the United States on the auto pact, it could not be done. To have it as part of an overall, comprehensive understanding of a bilateral trade agreement, as it is now prepared before us in the free trade agreement, becomes a way of satisfying the needs of our industry and our manufacturing and of maintaining the benefits of the auto pact.

I do not think there is any doubt that financial institutions can look forward to greater access to the United States market. We have a number of very excellent entrepreneurs who have found success in the United States; and vice versa, a number of American entrepreneurs have found great success in Canada. Through the free trade agreement, we will see new levels of investment back and forth across the border, yet at the same time maintain our independence, maintain our ability to restrict and control the investment of those moneys we do not want to have.

I do not think there is any doubt that manufacturers, both large and small, will have greater access to the US market and can now compete for more US government contracts. Indeed, there is a \$4-billion market in Washington. The federal government of the United States, throughout the whole of that great country, has opportunities for Canadian business people to penetrate and take advantage of.

Some people are concerned that the marketing boards that have been an excellent way of bringing our agricultural industry together be preserved; their powers are preserved. The horticultural industry has received special protection and our meat and pork producers will benefit. Ontario exports to the United States amount to \$4 billion a year. Let us hope we continue to increase that and to make it an even bigger and better market.

Our world-class services industries and professionals can service a larger customer base and gain easier access to the United States for temporary business purposes. One reads Toffler and understands how the service industry is expanding. Indeed it is. In fact, we will probably see far more manufacturing done in Third World countries and places where it is cheaper to produce, but the one thing that will continue to be available in this country is going to be the service industry. That will have a chance to prosper through this agreement.

The steel industry will benefit from the energy that is going to be available to it. We have to see our steel industry continue to develop. We all know what is happening in Hamilton right now;

we know Algoma Steel, Stelco and Dofasco. We have magnificent companies that are efficient and able to do things with raw materials, to churn them out into finished goods. We know we can continue to prosper with them being successful.

I do not think there is any doubt consumer prices will fall as tariffs decline. That is going to lead to a higher economic growth and allow governments to exercise their continuing ability to promote social, cultural and regional development. It makes one wonder about the six Ontario concerns that the Premier and this government have been concerned about.

They are saying they do not want to have any unfettered right of investment; there is not. They are saying they do not want to see the auto pact gutted; it is not. They say they want the marketing boards to stay; they are staying. They have said they want to see regional development powers remain intact; they are intact. They wanted to see a binding dispute settlement mechanism; it is there, it is within the agreement. I will touch upon that in a moment. They have also said we want to maintain our cultural sovereignty; we have done that as well.

I wish the people of Ontario could understand that we are opening the road to a whole new opportunity for Canada and Ontario. It should not be a road that has blocks on it. It should not have holes. It should not have restrictions put in there. We need to have help to make it work, and if this province gets behind the free trade agreement, I am confident we can continue to see successes that this province has never had in the past.

I just want to touch on two or three minor points, but they are important. Fasken and Calvin did a study paper for the Business Council on National Issues, and in their report they came through with an analysis of the dispute settlement mechanism. I would like to read their conclusion, because their point is that the dispute settlement mechanism represents a major improvement over existing Canada-US bilateral agreements, arrangements and understandings in the trade area.

Some people say it is not enough. It probably is not, but there are enough things that are inherent in this new agreement that can help us resolve and satisfy any of the concerns that we have in the future, and over a period of time we will undoubtedly work out better agreements.

"The dispute settlement mechanisms are not only consistent with but represent significant improvements on existing dispute settlement provisions of multilateral and bilateral trade



agreements, arrangements and understandings among other sovereign states.”

I think we have to look at the Business Council on National Issues as a group of business people genuinely concerned with the wellbeing of our country; and in fact they have gone outside of themselves, solicited and obtained advice on the effect of different parts of this agreement. This indeed is indicative of the kind of thing that is coming through in-depth analysis and study, that in fact the dispute settlement provisions of the free trade agreement are better than what we had before and will help to make this a far stronger relationship between our country and the United States.

I would like to touch on one other point that I came across on the weekend which I would like to table for our benefit. All the energy considerations of the free trade agreement are absolutely important to the future trading benefits that it provides for Ontario, but also for what it does over the long term.

I know the federal government had a number of flip-flops in the past. We have seen what Herb Gray did to our energy policy in this country, but I would have to refer to the conclusion on trade and investment in energy, as presented by Alan Rugman and Mark Warner, who are part of the faculty of management of the University of Toronto. They presented this paper on energy on November 3 in Halifax to the International Perspective. It is a special study group that did an in-depth analysis of the effect of the free trade agreement on energy in Canada.

I would like to read for the record the conclusion that was drawn through their presentation:

“The bilateral free trade pact guarantees the future of the continental energy policy which exists today. It will minimize future uncertainties about Canadian energy policy and thereby improve the investment climate, leading to prosperity for Canadian energy producers. The free trade agreement will save Canadians from repeating such misconceived policies as the national energy program, which led to a \$15-billion outflow from the oil and gas sector. The present practice of 50 per cent ownership is grandfathered in the trade agreement, but significant further reductions in foreign ownership and control ratios probably will not occur. The 50 per cent ownership target will continue to be a contentious policy. It is one which, in the interests of efficiency, should be forgotten as soon as possible.”

The point is that our government has determined what our energy policy is going to be. They did this before the free trade agreement was struck. They have maintained the intent and the letter of the law as they had decreed it prior to the free trade agreement. Trade and investment in energy is going to be a significant growth factor for Ontario in the future, and through this agreement we are going to be able to see it continue to grow.

I would also like to table this from the Canadian Federation of Independent Business. They said in the headline in their mandate which was released in November, “Overall, the Free Trade Deal is a Plus for Small Business.” I would like to just put on the record a quotation from them.

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“There is no doubt about it,” says John Bulloch, “Canada will be in serious trouble down the road if this deal falls apart in the home stretch.” Bulloch says, “The majority of the Canadian Federation of Independent Business members have been in support of lowering trade barriers with the United States for years. In a 1985 mandate survey, 66 per cent of respondents voted in favour of a Canada-United States bilateral free trade arrangement. As well, results from the CFIB’s 1986 national survey interviews found that for every business person worried about the effects of free trade, five more were confident that the deal would be either positive or have no impact on his or her operation.”

In other words, far more people felt optimistic and felt the free trade agreement could lead to prosperity and growth and an improvement in their lifestyle and their standard of living.

I would like to close by just referring briefly to some of the thinking that is going on within in the high-technology industry. For some time now, I have been very closely involved with the York Technology Association which is now the largest high-technology association in this country. It is an organization based in northeast Metro and south York region. It has well over 150 member companies and the York Technology Association has been working closely with other high-technology associations to make sure that our interests are being considered, observed and understood by the government as the free trade agreement was being negotiated. In fact, during the past number of years, George Hopkin who is now one of the co-chairmen of the York Technology Association has been on the sectoral advisory group on international trade for soft-



ware and computer technology and communications.

I would like to quote from CATA, which is the Canadian Advanced Technology Association. They had a forum recently to develop a position on trade strategy and they did it in co-operation with the Ministry of State for Science and Technology and also with the Electronics Industry Association of Manitoba. There are a number of quotes, but I would like to just take one.

"There was a general feeling that long-term investment by Canadian firms will be greater in both Canada and the United States as a result of the Canada-US trade agreement."

The bottom line for the high-technology industry is that there is more reason to believe the future will be good than would be otherwise if we did not have this agreement. It will allow for easier investment by Americans and Canadians in each other's countries to continue the expansion of the high-technology area.

We are talking about an area that the Premier has given some importance to by establishing a technology council. We know how unsuccessful it was last year. The Premier was not able to spend anything close to the \$100 million that he planned to spend. The fact is for Canada to develop the position we are capable of we are going to have to invest far more in the high-technology industry. If we are going to maintain the leadership that we have developed in such companies as Northern Telecom, and we see the kind of software that is coming out of this country, then our government must make a much bigger investment so that we can compete in the world marketplace.

As we open up the markets between Canada and the United States—which in fact are already almost open, there is in fact an almost free trade that exists between Canada and the United States in high-technology products; but what has to happen is that Canada has to become far more of an investor in the future by putting money into the development of more high-technology products, more high-technology people, so that we can drive the market, so that we can become strong participants in the whole market that is centred around high-technology areas.

Scientific and technological strength is increasingly the source of our national competitive advantage. May our hope be that in the future, as we continue to take this forward, we will be in a position not only to take full advantage of the United States market but also to be leaders on the world market.

One of the points that came out of one of the papers by the Canadian Advanced Technology Association is that, "it is absolutely critical that decision-makers in Canada understand that it is not possible to build internationally competitive, advanced technology capability behind tariffs or other forms of protectionism."

Get rid of the tariffs, get rid of the protectionism. Allow mankind, womankind, people in Ontario to develop their skills and develop their talents to the best of their ability and we will then take on the world. We will take on the United States, we will take on Europe, we will take on Third World countries. We are not afraid when we put ourselves up against any other competitor. We have what it takes. We have got the educational background of our students coming through. We have got the strength of good investors who have developed strong, viable Canadian companies. We know we have it. Now what we have got to do is have the confidence to believe in ourselves, that we can go out into the world and sell and that there is something good about making money.

I believe that the free trade agreement as it has been presented to us now gives that opportunity to Canadians. I also believe that, over the years, it will gradually change, that there will be improvements to the free trade agreement and that Canadians will find new ways of working out some of the problems that might exist right now or some of the problems that we do not even foresee at the present time; that in the years ahead we will have one of the best trading relationships between our country and the United States that exists in the world.

We already have the United States as our best friend. It is our best friend. You know, we can share so much of their culture: their lifestyle, their theatre and just themselves; our tourist industry whereby they come and invest so much in our province and in our country, and our tourism into the United States. There is a sense of family. We are on one continent.

We have so much that we have built on in the past: what we have done through the free trade agreement here. As provincial legislators, we have a chance to help make it work by coming forward and saying: "You know, we know it is not perfect, but we know that it opens the door to better possibilities. It reduces tariffs, it reduces protectionism and it will give Canadians a far better opportunity to trade and do business with our neighbours to the south."

I believe in that and I believe it is the time now for our Premier to give the leadership he is



capable of giving, where he will stand up and, instead of being one who tries to block free trade, he will help make it work. Instead of being one who is trying to put the blocks to it, he will be one who tries to be a conciliator. Instead of being one who wants to ram something through this Legislature, he will truly open up the debate so that people in Ontario can understand just what is going on with the subject. Instead of presenting facts that are not fully laid out and balanced, he will present a story to Canadians and Ontarians and say: "It is not just perfect, but I am going to make it work. I am going to help the wine industry. I am going to help those people who are going to be hurt by it."

Indeed, that is the message I want to see come from this province and from the federal government so that somehow we are working together to make this country and this province united. I do not think we ever stand alone. We stand as Canadians. We are Canadians first and we are Ontarians second. The free trade agreement gives us a chance to lead into the 21st century in a way that says we are prepared for anything, we are ready for anything, we are confident in ourselves, we have a dream for the future, we know that we can be a force in the world and we will be that force, especially when we have got the framework for working together and understanding in a context that says, "Yes, we have what it takes and we have got a relationship that allows that to happen."

I sincerely hope this Legislature will reconsider its position as it has been defined in the resolution that has been presented by the Premier and as it has been presented by the Minister of Industry, Trade and Technology. I would be most grateful if the Premier and members of that committee and members of this House stop one more time and say: "Look, we can make it work. We are going to try to make it work. We believe in ourselves and we believe in Canada. We believe in Ontario."

**1530**

In fact, this resolution is not worth passing. I would rather see the Premier save face, get rid of the resolution and come forward with another one that says, "Let's refer it to a committee and allow some more dialogue to take place;" and then allow the House to come back and maybe consider what he has told it to consider. At least we will have a chance to have fully aired all the considerations that are possible under this agreement.

It is a tragic mistake that here we are at this point, debating this resolution, when in fact the

Premier has not even tabled the information he said he would table. I wish he would do that. He said he would do so in the Ontario public hearings on free trade. He still has not done it. There is still time for the Premier to be the leader we want him to be, a leader of Canada, someone who is capable of truly expressing the will of the people.

**Mr. Ferraro:** It is my pleasure to rise and contribute to this very emotional debate. I want to thank my colleagues, who do not normally sit where they are sitting, for coming around and offering me their support.

I rise for a number of reasons to contribute to this debate. The first reason, of course, is that I have been actively involved as a member of a committee dealing with free trade for the last several years—and I will elaborate a little bit—but I suspect, more on compassionate reasons, that I wanted to give my friends in the loyal opposition a chance to catch their breath.

We have a situation where we have three parties with different points of view, with different things to prove. It has been alluded to in some of the previous discussion that, really, the people of Ontario know where the Liberal Party and the Premier stand. People in Ontario know where the New Democratic Party stands. People in Ontario know where the Conservative Party stands. "So what is the point of the resolution?" they say.

I suspect that it was a signal on behalf of the Premier and the government, who are, whether we like it or not—and we happen to like it—the majority of the representatives of this province, to put forth a resolution, to get it passed eventually. I might interject my own personal point of view that I do not think the Premier will get it passed before January 2, which of course is the magic day that Brian Mulroney, the Prime Minister, will sign the deal on behalf of Canada.

I do not have any personal doubts that the opposition is going to be successful in stalling that. They have a point to prove, and I respect that. Conversely, as I said, I do not think it is wrong for the Premier to try to put this important resolution on the books. Eventually it will be put—I suspect after January 2—but if not sooner, then later.

I want to commend my friends in the opposition, particularly the third party, for their ability. Notwithstanding some of the pertinent points they have made, they have, without question, ragged the puck with such an efficiency that even Gordie Howe would be proud. It is out of this feeling of compassion and admiration that

we want to give them a little rest, so I am pleased to join in the debate.

I could not help but think that when the member for Cochrane South (Mr. Pope) and the member for Markham (Mr. Cousens) were speaking—and it is a difficult job to talk at length, especially without some substance for the most part; to do so is an ability—I could not help but think that if I were ever standing in front of the executioner and the executioner asked me if I wanted to say something, I would not hesitate in asking the member for Markham to speak on my behalf, for surely I would prolong my life, inevitably.

The debate that we are talking about, the free trade debate, is probably one of the most emotional debates that the people of Ontario have been subjected to in a long time, and it is certainly one of the most written about debates or topics in the media, and certainly one of the most studied topics. In that regard, for the last two and a half years I have had the pleasure and honour of being vice-chairman of the select committee on economic affairs established by the Premier back in about July 1985, which of course, as we all know, now is the standing committee on finance and economic affairs.

In any event, for roughly the last two and a half years we have been dealing with the free trade issue. Some of the other members—the member for Hamilton East (Mr. Mackenzie)—have already spoken on the issue and did so admirably in the committee. I might interject as well that my colleague the member for Kitchener (Mr. D. R. Cooke), in my view, has done an admirable job in chairing the committee and doing so in a dignified and unbiased manner. I think most members of the committee will agree with that to some extent.

During the mandate of the committee—which continues, I might want to interject here—the third party has said, “Well, we are going to stop this resolution from going through, because basically what it does is take away any need for any further discussion on the standing committee on finance and economic affairs.” As vice-chairman of that committee, I disagree with that statement. When we filed the report—two reports, in fact—we were convinced and committed, I believe, to the fact that we were going to have to deal with the free trade agreement when and if we got it, which we eventually did on December 11.

So I do not think the resolution, quite frankly, has any bearing on the mandate of the committee. Quite frankly, I view them as different. Members

of the third party see an association there, but I do not view it in that context.

I might interject as well that, in fact, the committee has already had several authoritative speakers at a meeting, and they informed the committee members—significantly, in my view—about the legal ramifications vis-à-vis constitutional court challenges and so forth; and we will continue to have other top-notch delegations and presentations on the free trade agreement as we now know it.

The committee met with, I think it is safe to say, over 100 delegations. We had presentations of all sorts from every association and lobby group. The committee went three times to Washington—I had the privilege of going down only twice. By and large, they were beneficial, and certainly the last one in particular, in my view, was tremendously beneficial. I thought the tone was set—and I have said this before—by a very powerful senator, Senator Dingell, whom we met as a committee in Washington just last summer.

I am mindful of the luncheon we had—in camera, of course; there were no media around. Senator Dingell, who is a very happy-go-lucky, powerful sort of man in Washington and the United States, put his arm around the chairman of our committee, the member for Kitchener, and said with a jocular mode about him, “There is nothing more that we Americans want than a fair advantage.” I think that says it all, as my friend the member for Brampton South (Mr. Callahan) had indicated. There is a lot of truth in that statement.

Having said all that, I might point out to the House and to the people of Ontario that the committee came out with 40 recommendations. It is an all-party committee report that was unanimous by the Liberal Party and the Conservative Party, I might add. I would say with great respect that my friends in the opposition, the New Democratic Party, had a dissenting viewpoint, which I respect, and that, indeed, is included in the report. But of the 40 recommendations, I could not help but go over in my perusal a number of the unanimous clauses that I believe are seriously questioned in this free trade agreement.

I point out that obviously we put forth these 40 recommendations not knowing what was going to be in the free trade agreement. We had an idea, but I do not think anybody knew this was the deal we were going to inherit.



Having said that, I want to point out to the House recommendation 19. Recommendation 19 says, "Any agreement that arises from these bilateral trade negotiations should only be approved with the substantial agreement of the provinces of Canada in matters of provincial concern."

Albeit that is something of a motherhood statement, I have some doubts as to whether the three provinces that are concerned and, indeed, do not like this deal could be included in what one would determine as substantial agreement. I suggest not.

Recommendation 20 says, "A clear process for the ratification of a bilateral trade agreement should be established so as to avoid the possibility of constitutional difficulties by ensuring full and open discussion, and national provincial consensus, on the terms of any bilateral trade agreement."

I say with the greatest respect to my friends in the third party who concurred with the Liberal members of that committee that that cannot be. Surely they would have to agree that that consensus and that type of agreement is not prevalent, as of today's date.

Recommendation 23 says: "Existing trade arrangements previously agreed to between Canada and the United States, such as the automotive products agreement (the auto pact) and the defence production sharing agreement, should not be prejudiced by any future bilateral trade arrangements. The auto pact should not be prejudiced in any fashion as a result of the reduction or elimination of tariffs and nontariff barriers in general or in ancillary industries."

While my friend the member for Markham takes the exact opposite point of view I do and says that the auto pact is as strong as ever, I totally disagree and will elaborate on that a little later. I would have to say without hesitation that the point in question at this juncture is that another recommendation, again unanimously agreed to by both parties, in my view is not being kept.

The final recommendation I want to refer to is recommendation 26, again referring to the auto pact: "Companies not presently part of the auto pact should be permitted a defined period of time in which to comply with its terms. Compliance with the auto pact should supersede any other existing automobile agreements between the government of Canada and automobile companies not presently a part of the auto pact."

While this agreement is being studied and will be studied over the next few years and weeks and

months and hours, I would have to say without hesitation that my knowledge and that of my ministry is that this particular recommendation has not been adhered to in the least.

So, quite frankly, we have a situation where members of the third party, the Conservative Party, have really contributed, in my view, to a fine report with 40 good recommendations. In my view again, many of those recommendations have not been adhered to; but no mention, and understandably so, has been made of the fact that the Mulroney government, their partner in Ottawa, has let them down vis-à-vis the recommendations in the report at the very least. The whole debate about free trade—

**Mr. Wildman:** Has been a waste of time.

**Mr. Ferraro:** The member said it has been a waste of time. Perhaps there is some truth to that, but I would have to say that some debate is better than no debate. One can subjectively decide as to the content of that debate, but some is better than none.

I believe with my heart that Prime Minister Mulroney, Mr. Broadbent, Mr. Turner, all those in this House, as alluded to by the member for Markham, are first and foremost good Canadians. I believe they are doing what they are doing because they firmly believe it is good for Canada. Only time, I suspect, will be the judge of their decisions. But it is interesting to note that, just as all politicians will on occasion be subjected to the reality of history, politicians can change their points of view very, very quickly. Indeed, I have been subjected, as have been the people in Ontario and my colleagues in the House, to a number of quotes from opposition members vis-à-vis things that were said that people wished they had not said. I want to remind the House by quoting from a book by Claire Hoy. He says:

"During the 1983 Conservative leadership race, Newfoundland's John Crosbie came out strongly in favour of free trade with the Americans, but Mulroney ridiculed him and the idea. 'It would be,' he pointed out, 'like sleeping next to an elephant. It's terrific until the elephant twitches, and if it ever rolls over, you are a dead man.'" That is one of the Prime Minister's most notable, and I am sure at this point in time, from his standpoint, regrettable quotes that he unfortunately said.

"In June of '83, Mulroney was asked about the issue by John Gray of the Globe and Mail. 'This country could not survive with a policy of unfettered free trade. I am all in favour of eliminating unfair protectionism where it exists. This is a separate country. We would be



swamped. We have in many ways a branch-plant economy.'” A branch-plant economy is something my colleague the member for Brantford (Mr. Neumann) is extremely concerned about, as are other members of this House. “In many ways, all that would happen with that kind of concept would be the boys cranking up their plants throughout the United States in bad times and shutting their entire branch plants in Canada. It is bad enough as it is.’”

That was in the fall of 1983, by Prime Minister Mulroney.

**Mr. Callahan:** Did he change his mind or what?

**Mr. Ferraro:** I suspect he has changed his mind considerably. “In late 1983, during the leadership campaign, Mulroney repeated his opposition to free trade, saying, ‘It affects Canadian sovereignty and we will have none of it, not during leadership campaigns or at any other time.’”

This from the leader of our country who I believe is still a very strong Canadian, albeit with lack of conviction to say the least, and that is obvious by the fact that he changed his tune as late as 1984. In Mr. Wilson’s speech, there was allusion to a bilateral free trade agreement. So less than a year later, here we go: “What I said we are not going to hold true with.”

Whether one is for this trade deal or not, it is confusing to the people. What did the Gallup poll say? Something like 71 per cent of Canadians do not feel comfortable in making a decision on the free trade agreement.

**Mr. Wildman:** Just like the government. Just like the provincial government.

**Mr. Ferraro:** No, that is not true. My friend the member for Algoma interjects that the provincial government is in the same boat. I say with great respect that the position of the Premier is one I support, not because I am a member of this party but because I think it is logical.

The members of the opposition have said from the start: “Let’s not talk about a free trade agreement. Let us deal with it on a sectoral basis. When there is a problem, we are going to deal with it.” Quite frankly, I think the position that was taken by the Liberal Party and the Conservative Party is the correct one. We have 90 per cent—we have heard that magic figure all over the place—of everything we export from Ontario being traded with the United States, and 78 per cent nationally we trade with the United States.

The members of the opposition say: “Let us not talk to them. If there is a problem, we will deal with it when it arises.” That is crazy. They

are our best friends. I am not sure what they are going to be a few years from now but, for all intents and purposes, right now they are our best friends, best allies and best trading partners. If we cannot talk to them, then there is something wrong. So in that context we set out, with the co-operation of the federal government—all the provincial governments were involved, at least at that early stage—in trying to get an agreement that was going to protect and secure our access to the United States and those valuable markets, protect the jobs and protect the revenues that support our social programs. But we did not get anything out of it, in my view.

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Our decision to participate in trying to get an agreement was the right one, but our position now is that this agreement is bad. Now we are being accused by members of the opposition who are saying, “You were for it in the first place and now you are against it.” What we were for was trying to get a good, sound, logical, mutual agreement with our best trading partner. I still think that was a logical and justifiable approach, but what we got was a bad deal.

Are we now to say that because we said we were going to go into the trade deal, we must support it to the nth degree? That would be the easy way out. We could say, “Well, Mulroney and Reisman, you made a heck of a good deal here, and in order for us to save face, we’re going to say we support it.” We cannot.

I think what we did was right and good. Being somewhat of a poker player myself, I think we got outmanoeuvred.

**Mr. Wildman:** Out-euchred.

**Mr. Ferraro:** We might have gotten euchred as well.

I think our position is justifiable; and if I might say, with great respect to my friends in the third party, I commend members of the opposition. They were right down the line all the way. They did not want to talk. They did not think we would get anywhere and would deal with the problem when we get to it.

But members of the third party now are saying, “This is hunky-dory and this is wonderful.” With great respect, I do not know how they could say they support this deal during the election campaign leading up to September 10, when they did not even know what the deal was. Is that blind faith or is that blind faith? Mulroney could sell these guys snow in December. How? I do not understand the logic. The Conservative Party, the bastion of business, free enterprise and negotiation said: “We’re going to accept the deal



and we haven't seen it yet. It's great for Canada; it's great for Ontario; we have to go with this deal." This was all during September, we all heard it; and we had not seen it.

At least the Liberal Party had the good common sense, in my view, to say, "Yes, we're in favour of an agreement, but wait until we see the agreement and we're going to decide whether we're going to buy this thing;" at the very least.

**Mr. Wildman:** Yes, but you still haven't decided what to do.

**Mr. Ferraro:** That is not true. We have said without hesitation, and the Premier has said without hesitation, that this is a bad deal.

What can we do about it? Speaking for myself, at this point in time, not a heck of a lot.

We made a lot of assumptions. We made the assumption, first that in the spirit of Meech Lake, where Prime Minister Mulroney—and I commend him—and all the premiers got together and got into nation-building, with the exception possibly of Premier McKenna at this juncture, there would be a consensus of interaction and co-operation; as the Prime Minister said a thousand times if he said it once, there was a sense of consensus. What happened to the consensus—this interaction, this camaraderie, this nation-building attitude—when it came to the free trade deal? It went down the toilet.

On October 4, a magical and infamous day in the history of this country, the elements of the free trade deal were introduced to the general public. The elements as we now know them have been changed to some degree, with the final trade agreement coming out on December 11. But the point is, on October 4, we came out with the elements, if you will, the outline of the free trade deal; although at that point in time I do not think anybody thought they were going to do the significant degree of changes, that in my view, have not improved it that much as we know it in the December 11 agreement. We were told on October 4 that indeed they were going to do some typographical changes, cross the t's and dot the i's, but, "By and large, this is the agreement, folks, and let's go with it."

I want to put on the record that on the night of October 2—I believe my dates are correct—the Premier was briefed on what they call the elements of the free trade agreement. One of the most significant clauses in that agreement that upset me, and I will elaborate a little bit on it, the energy agreement, was not mentioned to the Premier of Ontario a day and one night before the elements of the agreement were released. This is consensus building? This is co-operation? This is

the idea that says, "OK, rally around the flag, boys, we are all part of the same team and we are all going to get together"? You do not tell the Premier of Ontario about an energy deal the night before the day before you release the elements of the trade agreement? That is not my idea of a team.

What happened on October 4? Again Mr. Reisman has said that the provinces had been kept up to par, up to snuff. Someone once said, and I think it is right, that if you want to kill this deal in Canada, send Simon Reisman out as a salesman. Unfortunately, I do not know who the gentleman was, but he said, "If you really want to sell this deal in Canada, then knock Ontario." That type of regionalism, that type of envy, that type of destabilization, if you will, that type of taking away from our country is totally uncalled for and unfortunate. Nevertheless, we had the deal on October 4.

A week or so ago I posed a question to the Deputy Minister of Industry, Trade and Technology in a committee where we dealt with the free trade deal: "Mr. Lavelle, could you tell me please how much discussion, how much interaction, how much camaraderie, how much information has been provided to you by the federal government since the October 4 agreement?" Remember, this is the agreement on which we were told originally we were going to dot the i's, cross the t's and basically no big changes were going to be made; which we found to be totally untrue. Mr. Lavelle's response to me was "None."

We are one of the major players in this agreement, one of the major players in this country, in one of the most major pieces of legislation that without question is going to affect this country in years to come and the future of our children and grandchildren; and we are not even consulted. It is a sad case for Confederation and totally, diametrically contrasted to the idea of Meech Lake, I might add. It is somewhat ironic, to say the least.

What is it that I do not like about this deal? A lot of people have alluded to it, but let me get my viewpoint on the record. I say with great respect, notwithstanding the fact that I have had free trade coming out of my ears for the last two and a half years and I am still learning, that I think the Premier is absolutely right when he says that the number one and most critical point in any free trade agreement was to get secure access to those markets. No one is going to disagree with that. We agreed with that as committee members in the Liberal Party when we sat on the committee



dealing with the report from day one. Let us get a deal where we have secure access. That is paramount.

Of all the experts in my ministry, of all the legal opinions we have read—the member for Markham quotes one, Calvin and Baskin, and I could quote one, Blake, Cassels and Graydon, which takes a diametrical point of view—no one says we have secure access. The Premier has alluded to the fact that the existing United States trade legislation, the clauses that can really sock it to Ontario and Canada if we are being subjected to the assertion that we are unfair trading partners, clauses 201, 301 and 337, would still apply. All these 300 trade bills—or 600; I have heard up to 800 protectionist trade bills—can still be applied against Canada. So where is the secure access? It is just not there. There is no secure access. This is the big fear.

#### 1600

The biggest and most ominous threat to this country, certainly to Ontario at the moment, is the US omnibus trade bill. There is no exclusion in the December 11 version of the free trade pact, none whatsoever. I give the all-party committee from the federal government credit. In its recommendations, it suggested that we need an exemption to the omnibus trade bill. So have the Premier and the Minister of Industry, Trade and Technology in our government; they indicated the same thing. Notwithstanding my opposition to this deal, I believe it will be signed January 2, and I am hopeful that they will be able to exclude Canada and Ontario, indirectly, from the omnibus trade bill. But the 600 or 800 or 300 protectionist bills on the books in Congress are still there; they can still be applied.

The secure access is not there. So the most blatant failure of Simon Reisman and his merry band of free traders to secure the cardinal rule of law in international trading—as far as Canada is concerned, anyway—secure access to those markets which we so desperately need, has turned out to be nothing but smoke.

The automotive pact: I want to allude to the fact that other premiers, notably Mr. Devine, have said to the Premier: “We do not want anything more or less than what you have in Oshawa or southern Ontario. We want the same opportunity that you have in southern Ontario.” Mr. Speaker, I suggest to you, to him and to everyone, with the greatest respect, that the auto pact of 1968 was a federal agreement. They had the same opportunity. Are we to feel guilty because the automotive industry decided it wanted to come to southern Ontario? Was there

some magic reason it came here? Were they forced at gunpoint to come here by Premier Davis, previous premiers and Premier Peterson? Did they not want to go to Saskatchewan because we are nicer people in Ontario? Did they not want to go to Manitoba because we are nicer people in Ontario? I suggest those provinces had the same opportunity, so that argument is totally nonsensical.

The auto pact, which we have had since 1968, has served the province well. In fact, my understanding is that with the exception of one year, 1975—in other words, we were on the positive side of the ledger from 1968 to 1975. Until that time, however, we were always in a deficit position with the United States; they always got the better side of the deal. By 1975, we were up by \$700 million. From 1976 to 1982, Ontario and Canada got the short end of the stick, again vis-à-vis the bilateral trade in the auto parts business. From 1982 to 1987 we did, without question, come up with a positive balance sheet. So it served us well, quite frankly, in the last few years, with the one exception of 1975. All the rest of the time the United States got the better of the deal. Did we complain? Did we say we wanted to change the auto pact? No. But that is not what we heard when we went to Washington. That is not what we heard from Senator John Heinz in Pennsylvania.

The part that really perturbed me was that not only did Senator Heinz not know that for every dollar of steel we sell in Pennsylvania, we buy \$1.30 of his coal; not only did he not know that indeed Pennsylvania trading with Ontario, for example, had a \$600-million surplus; but also, some of the major congressional leaders in the United States did not know—again, we have heard this many times—that Ontario was their second-largest trading partner or that we had a \$2-billion deficit in trade with the United States. Maybe that suggests we are doing a lousy job of selling ourselves. Not maybe: it does. One of the recommendations in the report was that we do a better job, and I say that with respect to Mr. Gotlieb and members of our Ottawa embassy. That is something this government, I am sure, will have to address.

The strength of the auto pact was the umbrella, if you will, of being able to provide tariffs. Basically, what it said was that if you did not have 60 per cent Canadian content, you could not transport your vehicle into the United States and if you did not measure up, we could hit you with a tariff, a fine, a levy. We never had to impose that threat, that umbrella, but it was there.



What happened? Mr. Mulroney and the member for Markham say: "Well, Mr. Reisman assures we have not touched the auto pact. The auto pact is there." The member for Markham says: "Well, we could never have negotiated it on an individual basis. It is much better being mixed in with all that stuff that half the people in this country do not understand in this free trade agreement."

I think he is wrong, because as of January 1, 1998, we are no longer allowed to have our duty remission programs, which have served this country and this province extremely well, and we are no longer allowed to have any threat of tariffs. What we have now, according to Mr. Reisman and the proponents of the free trade deal, and the fact that the auto pact is wonderful and has not been touched, is a car with no engine.

**Mr. Cureatz:** Like the Liberal Party.

**Mr. Ferraro:** The interjection is that it is similar to the Liberal Party. At least we have a friend, I say to my friend opposite.

We have an auto pact with no teeth. We have an agreement with no substance. One of the recommendations in here was that all countries inevitably should have to abide by the auto pact. What did they come out with? They came out with the fact that General Motors, Chrysler, Ford, Volvo and the GM-Suzuki deal in Ingersoll will be included in the auto pact. What about Toyota? What about Hyundai? What about some of the auto parts manufacturers that cannot be included in it in an indirect way? They are exempt.

Oh, we have made it better. Now, instead of the 60 per cent Canadian content, we are going to have 50 per cent North American content. That is wonderful. That is just great for Canada and Ontario. Instead of 60 per cent, we get a reduced amount of 50 per cent. What motivation is there to come to Canada, never mind going to Mr. Devine's province? What motivation is there to come to southern Ontario, aside from the fact that we are a wonderful place to be and I hope will always remain that way? I say to members, not much. We are going to see them going to Tennessee, Mississippi and Alabama, where the degree of state incentive far outweighs that of any provincial or federal incentive, at least in my mind.

The idea of the free trade proponents that we are going to be a much better place to invest is baloney. During this whole debate, one factor that has been overlooked by and large by most people, vis-à-vis the opportunities the Tories and the free traders are saying now rest with Canada

because of this deal, all that rests first on one fact. Why does the United States want to have this agreement? Why are all these protectionist bills there? Why is Canada concerned about them? They are concerned because the United States has a roughly \$180-billion deficit. If we were legislators in Congress in the United States, we would be extremely concerned as well. It does not matter that \$80 million of it is with Japan; we are going to get hit by it. But during all this debate, notwithstanding the fact that that deficit exists, we are going to have all this investment come to the United States to soften the blow, if you will, of that deficit, and it is inevitably going to come to Canada.

**1610**

The point that has been overlooked, and I alluded to it in some degree, was what happens if these protectionist bills do not work and if the deficit is not reduced to the degree that many of the financial wizards, congressmen and legislators in the United States say will happen? In my view, there is only one alternative—we have seen it in the last seven days—and that is a devaluation of the American dollar.

Instead of having a 25-cent edge which I admit is an incentive—if you are a car maker in Germany and you are going to invest in North America before January 2, 1988, you would be nuts not to come to Canada and invest. Not only do you have unfettered access to the North American markets, but you also have 25 cents more on your buck. Even if there is some distinction between labour costs or transportation costs, 25 cents more than made up the difference so that it made sense from an economic and business standpoint to come to southern Ontario or indeed to come to Canada, as they have in Quebec and to some degree in British Columbia—even though Mr. Devine cannot understand why they will not come to his province; maybe he is the reason.

My point is that if all of a sudden—hypothetically, I grant; this whole deal is hypothetical and only time will prove it—the US devalues its buck, if it is only 10 cents' difference, where is all that investment? I am doubtful and the Premier is doubtful and this government is doubtful it will be the same.

We talk about another part of it, to which I have alluded, foreign investment. In the days of the previous Liberal federal government, there was the Foreign Investment Review Agency, FIRA. "It was a bad thing," the Conservatives said. Mulroney said, "It's lousy; it's not good for Canada," and maybe it was. Never mind that 90



per cent of all applications before that agency were approved, that is irrelevant; the three per cent that were rejected really made this thing a terrible deal.

"We will come out with a new idea," said Mr. Mulroney, Mr. Wilson and others. "We are going to come out with Investment Canada." It sounds great. I like that name. We have a great individual there who comes up with these buzzwords that really captivate one's imagination. What has Investment Canada done? Before the free trade deal came out, I had the pleasure, when representing the Minister of Industry, Trade and Technology, of meeting Michel Côté at a meeting. He said to me that since they started Investment Canada, they have had 2,200 applications for foreign takeovers of one form or another. How many do the members think were rejected? None; not one, which is good.

The foreign investment regulations being perpetrated, if you will, being presented in this free trade agreement state now that we cannot have anything to say about US direct takeover of any corporation with net assets of \$150 million and indirect takeover of any corporation in Canada with less than \$500 million. For all intents and purposes, for any corporation with assets of \$150 million, the US can come in and buy that corporation with all those jobs and Canada cannot do a damned thing about it. Maybe we would not want to under certain circumstances, but the point is we cannot.

**Mr. Cureatz:** Unparliamentary. Wake up.

**Mr. Ferraro:** My friend says, "Wake up." I tell my friend over there, I am not the one who has to wake up; it is his colleagues in Ottawa who have to wake up.

**Mr. Cureatz:** On a point of order, Mr. Speaker—

**Mr. Speaker:** What is your point of order and under what standing order?

**Mr. Cureatz:** My point of order is that the member for Guelph (Mr. Ferraro) should be called to order because he is extremely boring.

**Mr. Speaker:** That is not a point of order; it is a point of view.

**Mr. Ferraro:** With great respect to my friend opposite, I notice that he must have lost the flip: he is the only one here from his party to have to, I guess, endure the pain. I can only say with great respect that if I am boring, then members of his party were absolutely nauseating.

Now we have a situation where any corporation with under \$150 million in assets can automatically be taken over. I am told that

accounts for roughly 90 per cent of all corporations in Canada. Let us just hypothesize again for a minute. Let us assume that 80 per cent are taken over by the United States: we still have our sovereignty, we still have our Canadian aspect to it? I say, with great respect, if you lose economic control—and you would—you lose your sovereign control. That cannot be healthy.

Now maybe the member opposite, the member for Durham East (Mr. Cureatz), wants to be, I do not know, a Yankee supporter or whatever it is, a Dallas Cowboy fan. Maybe he wants to be a Dallas Cowboy cheerleader. Certainly he is well suited to that. But I kind of like being a Canadian, and if I lose economic control of my country, I lose all control of my country. So as much as the gentleman from Durham East wants that situation, I do not.

The energy program, the big deal the Prime Minister and Mr. Reisman did not have the decency to tell the Premier about the day before the pact was released—I think the energy thing stinks, to be quite blunt.

Sure, it was changed from the October 4 elements of the free trade agreement to the December 11 text. Now it says Canada "may be allowed to maintain an independent oil policy." What it says is, "As long as you've got this free trade with the United States, ladies and gentlemen in Canada, even though it is your oil, you have to charge your American customers the same rate you charge your Canadian brothers and sisters."

I am as much of a free enterpriser as anybody in this House, if not more. I am as much of a businessman, I like to think, as most members in this House in any event; but it bothers me for some country to say all of a sudden to Canada, my country, "You can't charge what you want for your resources." That is exactly what this agreement says. No matter how much the member for Durham East says to the contrary, it is not true.

That is like growing tomatoes or pumpkins in your own backyard and having somebody saying to you: "You can't give that to the members of your family. You have to charge them this." I say it is none of their damned business. I say it is probably one of the most serious anti-Canadian elements of the whole trade agreement and I resent it. That is why the Premier has alluded to the fact that we have lost control over our own destiny, as far as our resources are concerned.

One of the most notable comments I have entertained, in my discussions with both supporters of free trade and those who are against it in my



constituency, and indeed throughout the province when we have talked about the idea of free trade, about whether there are arguments for it—and there are; for every argument for there is usually one against; for every association for there is usually one against. It is no wonder the people in Ontario and indeed in Canada are confused. It is a significantly difficult deal to understand, especially when they are changing it so often.

But no one to whom I have spoken—indeed I do not think anybody in this House or in the chamber in Ottawa—would disagree with the fact, and I alluded to it at the start, that it is probably one of the most comprehensive and important deals this country will sign, certainly in my lifetime. I do not think anybody disputes that.

**1620**

Having said all that, you have this important a document that is going to affect—the Premier believes this and certainly everybody in my party believes this—our children and our grandchildren for generations to come. You have this deal that is going to have such an impact on our social policies, on our cultural industries, on our very fabric as a nation.

We get the deal on December 11 and it has to be signed on January 2. We have three weeks to look at, to analyse, to decide and to say we are for or against—three weeks. The point that no one disagrees with, whether they are for or against, at least among the people I have talked to, is that it is ridiculous for us to have to make a decision in that short a time period.

**An hon. member:** Including Christmas.

**Mr. Ferraro:** Including Christmas. Take Christmas out, albeit we are enjoying our Christmas here in the hallowed halls of Queen's Park.

**Mr. Wildman:** This is the fifth day of Christmas. Where are the gold rings?

**Mr. Ferraro:** The Scrooge who stole Christmas.

I would say it is absolutely an unconscionable act by the Prime Minister of this country to subject the people of this country to make a decision of such magnitude in less than two weeks. It is ridiculous. But it is: "We got such a good deal. This is a mutual deal. This is a deal of give and take." The leader of the third party has alluded to that, "Yes, you have to give up some things in order to attain some things;" and I agree. I have been known to play a little poker myself. Some of the guys who always win my money would probably say I am not playing

poker but, having said that, I understand the idea of giving and taking.

I say we got took. We have to sign the deal January 2. They sign the deal January 2 but they have 60 or 90 days to look at it.

**Mr. Harris:** Of course we do too; we have a year.

**Mr. Ferraro:** We do, do we? They have implementing legislation where they can possibly change the deal. Can the member opposite tell me we have that opportunity? We do not even know if there is going to be implementing legislation.

This is fair. The United States can look at it, but we cannot. The United States can have 90 days to look at this deal and say whether it likes it or not. We have less than two weeks. What a wonderful situation. What a wonderful idea the Prime Minister has of creating nationalism, of having consensus-building, of nation-building. I think it is absolutely ridiculous.

I say with respect to members of the third party who accepted this deal before they even saw it, who trust Prime Minister Mulroney implicitly—and by and large, I think he is a good Canadian and can be trusted most of the time but he has let us down on this deal—even though he changed his mind in June 1983 and again in the fall of 1983, said it was a lousy deal then but now all of a sudden it is the be-all and saviour of our country; and they can accept that. I do not know whether they are looking for an appointment to the Senate or what it is but, quite frankly, we do not believe it is good for Canada. It certainly is not good for Ontario.

I want to conclude by alluding to the fact that the Premier of this province has been criticized, and will continue to be, as is the habit in politics, for not being decisive. I do not think he has been anything less than a good Canadian, sincere and concerned about our country.

**Mr. Wildman:** Hopefully, we are all good Canadians.

**Mr. Ferraro:** I agree. I said that at the start. I said I believe we are all speaking from our hearts and as good Canadians. I do not think that is at issue here.

The point I am trying to make is, the easy way out for the Premier would have been to say, "Well, ladies and gentlemen, I looked at the deal even though I had all these concerns, and it's a good deal and let's go with it." It was the easy way out for the man who did so much, in my view—and I think most of Ontario is proud of the fact of his accomplishments with Meech Lake to date—who is concerned about building this

country into the nation we all want it to be, not only for our generation but also for future generations; but he did not take it.

He took the hard way out. He said, "Ladies and gentlemen, this deal is not good for Ontario but, more important, not good for Canada." No matter what the members of the third party or the opposition say about the Premier, I can say without hesitation I do not think he has wavered one bit. I do not think he has taken the easy way out.

**Mr. Runciman:** He is a great guy.

**Mr. Ferraro:** Let the member eat his heart out. He could have done a lot worse. Going from where his party was to where it is does not say a heck of a lot about his leader, but I am very proud of mine.

I want to say that notwithstanding all the rhetoric and the emotional aspects of this debate, I sincerely hope that my leader is wrong. I sincerely hope that members of the third party are right. I sincerely hope that Prime Minister Mulroney, notwithstanding his opinion a couple of years ago when he was against the idea of free trade, who all of a sudden is converted to the idea of free trade, is right. I truthfully and honestly do.

Maybe it is a bad thing to say, but for the good of our country I hope the Premier is wrong. I hope his concerns about our country, about our sovereignty, about our ability to compete, about our ability to trade and our ability to get investment in this country, are wrong. I hope he is wrong, but in my heart I do not believe he is.

**Mr. Wildman:** I have listened to this debate over the last number of days and I have tried to put it into context. We are debating here a resolution put forward by the government, as amended by the official opposition. The amendment put forward by my party would commit the government to state clearly, as the government of this provincial jurisdiction, that it will not implement any aspects of the Mulroney-Reagan deal that impinge in any way on provincial jurisdiction.

Yet we are informed by a political party, which is the government of this province and which states that it does not like the deal and that it is a bad deal, that it does not want to pass that amendment. They simply want a statement passed by the assembly which says that it does not think this a good deal for Canada or Ontario.

The government has decided that it is so important to have this expression of opinion that, because this agreement is to be signed on January 2, the House should sit in an unprecedented

period between Christmas and New Year's. The government has set aside all the other business in Orders and Notices to deal with this matter that is so important that it must be dealt with before the other matters in Orders and Notices, before the new year. They want to express an opinion—an opinion, interestingly enough, that the Premier has already expressed in writing to both the government of Canada and the government of the United States.

Let us talk for a moment about leadership. I am looking at the Orders and Notices of December 17. I note that in that Orders and Notices, besides the resolution that is before us and the amendment that is before us, there is also a resolution standing in the name of the Treasurer (Mr. R. F. Nixon), "That the Treasurer of Ontario be authorized to pay the salaries of the civil servants and other necessary payments pending the voting of supply for the period commencing January 1, 1988, and ending April 15, 1988, such payment to be charged to the proper appropriation following the voting of supply."

"Following the voting of supply." So we sit here talking about an opinion on free trade, an opinion which will make no difference whatsoever with regard to the signing on January 2, a signing which I oppose, when we have before us in Orders and Notices a matter which, if it is not passed before January 1, will mean we cannot pay the civil servants. That is the context that we are debating this in between Christmas and New Year's.

I ask members: what is more important, an expression of opinion that is not going to affect the signing one way or the other, or whether or not the government has enough money to pay its employees by the new year? It does not seem to me to make a lot of sense. It seems to me that the government has lost control of the Orders and Notices paper. It cannot order its own business in a way that means it can administer the affairs of the province properly.

**1630**

Also on the Orders and Notices paper we had listed that day a number of matters which the government said were necessary to be passed before the end of the session, which at that time we anticipated would be some time prior to December 23. Those things included Bill 29, An Act to amend the Municipality of Metropolitan Toronto Act; Bill 61, An Act to amend the Municipality of Metropolitan Toronto Act, again; another bill to deal with conflict of interest; and a bill which was of interest to me and certainly to rural Ontario, Bill 65, An Act to



amend certain Acts administered by the Ministry of Agriculture and Food. That is a matter which has to be dealt with before the spring if the vegetable growers of this province are to be properly protected.

So what do we do? We come back here, all right, between Christmas and New Year's, but we sit and listen to a lot of guff from both sides of this House and we do not deal with matters which are of substance and importance.

Who is it that orders the business of the House? It is the government House leader in agreement and discussion with the other two House leaders. I will make quite clear that from our point of view, and we have made it clear on a number of occasions, it would make a lot more sense to deal with these urgent matters before the new year and then return to this debate, because the debate that is holding forth now will not make any difference one way or the other, mainly because this government is unwilling to take a position of substance. Rather, they simply want to express an opinion.

The question of free trade that is before us is one I find, as a member of the opposition representing Algoma, very frustrating. I have sat as a member of this House through the whole process. I was a member of the House before the current Prime Minister of this country was elected to the leadership of his political party, and I recall, as has been mentioned through the debate, his position on free trade. He said at the time, and he quoted the former leader of the national Liberal Party, Mr. Trudeau, that it would be like sleeping with an elephant and all the connotations that brings in. Then we find that after he won the leadership of his party and eventually became Prime Minister of Canada, his position changed completely.

But interestingly enough, he said he wanted to involve the provinces, and that is what I want to talk about: the provincial involvement. The Prime Minister of this country brought together all of the provincial leaders, the premiers of the provinces of this country, and they talked about his initiative, his proposal for a free trade agreement with the United States. He made clear his reasons; I will deal with those in a moment. The interesting thing about that initial contact and initial consultation was that the Premier of this province returned to this assembly and announced to all of us that it was his understanding that he, as the leader of the government of Ontario, had a veto over the negotiations, not just over the final agreement but over the continuation of negotiations. While he said he had a veto,

he said he did not want to exercise it. He said it would be premature to exercise it before he saw the terms of the agreement, and so for two years we sat here and listened to the Premier express concern about what was going on and the effects it might have for Ontario. But then we also had him say: "But we do not want to be premature about vetoing it. Yes, we do believe we have a veto, but we do not want to veto something that just might be good for Ontario."

Our position has been clear throughout. While we value our relationship with our neighbour to the south; we recognize the importance of the economic relationships that we have developed over the years with the United States and with the US market; we understand the problems that are facing some portions of our economy in relation to those trading relationships and we want to deal with those problems, we did not believe that this government, in co-operation with the federal government and the other provinces, would be able to arrive at an agreement with the United States that would benefit us and would do what the Prime Minister of Canada said it would do. And we understood the Premier to say that he had a veto.

Then we had the calling of the election this year, in the summer, and we had all the election campaign rhetoric. The leader of the New Democratic Party in Ontario made it quite clear that we believed the Premier should in fact be saying quite clearly to the federal government that the government of Ontario would not support a deal at all; that in fact we wanted to emphasize our trading relationships not only with the United States but internationally through the General Agreement on Tariffs and Trade and other trading mechanisms; that we wanted to deal with specific irritants with the United States and other countries but we would not accept a deal as proposed by Mr. Mulroney. That was our position and it remains our position.

The Conservative Party, under the leadership of the then member for St. Andrew-St. Patrick, made clear what its position was as well. Mr. Grossman at that time used the analogy of a train station. He said there were two trains: One train was free trade and the other train was protectionism. He said that Ontario was on the platform and, from his point of view, Ontario had to take one train or the other. His choice, as a Conservative, was free trade. He defended Mr. Mulroney's initiative before the electorate. He was not successful, but I do respect the fact that he put forward a position and defended it.



Throughout the election campaign, little by little, the leader of the Liberal Party in Ontario put forward or adapted his position until the famous time when he actually made a speech setting out six conditions. After that speech, there was the advertisement and the commercial, which I think was a very good political advertisement. I say that somewhat cynically, because I do not think it was an honest political advertisement or commercial; but it certainly achieved what it was intended to achieve.

No matter what your position on free trade, when you listened to that commercial, you could agree with it. If you were in favour of free trade, the commercial said to you, "This province, this government, the Liberal Party, will accept an agreement that is good for Ontario." If you opposed free trade, the commercial and the Premier said to you that his bottom line was that there would be no agreement. If you were unsure about your own position, then the commercial said to you that the Premier and the Liberal Party were considering all options and they had some conditions which, if met, would mean they would accept free trade, and if not, they would reject it.

1640

When I heard that speech, when I read the press accounts of it and when I heard the commercials, I must admit I was surprised that the member for London Centre (Mr. Peterson), the Leader of the Liberal Party in Ontario, took what appeared to be such a definitive position when he said at the end of that commercial that his bottom line was that if those conditions were not met, there would be no deal. He did not say, as the Minister of Industry, Trade and Technology tried to indicate during the debate on his estimates, that maybe there would be a deal. He said there would be no deal. Clearly, that meant—at least, it appeared to mean—that if those conditions were not met, this government would stop the deal.

Let us look at what has happened since to determine whether or not that was an honest political statement, keeping in mind that the Premier had previously indicated that, in his view, he and his government had a veto in these negotiations.

He set out six conditions. If they were not met, he said, there would be no deal. When the House came back in session, we asked a number of questions in the Legislature about what would happen if these conditions he set out were not met. What was he going to do? The Premier's response invariably was: "Let us not prejudge it.

We have not seen the agreement. We have not seen the wording yet, so let us not prejudge it."

In October we did see the draft terms of the agreement, the elements of the agreement, and at that time the Premier and everyone else had the opportunity to judge the draft of the agreement in relation to the six conditions set out by the Premier during the election campaign. The Premier himself agreed with many whose analysis was that the conditions had not been met. He said, "Yes, those conditions have not been met." But did he then say there would be no deal, as his commercial had said and as his election rhetoric said? No, he did not say that. What he said was: "But this is only a draft. We had better wait until we see the final text. There may be changes in the final text which will deal with the concerns of Ontario and will therefore be acceptable to the government of Ontario."

In the meantime, the official opposition in the name of my friend the member for Sault Ste. Marie (Mr. Morin-Strom) moved a private member's resolution in the House which would have set out specific steps this government could take to oppose the agreement since it did not meet the conditions set out by the government. That resolution was debated the very same week of the first ministers' conference in Toronto. While the Premier was downtown with his colleagues discussing with the other first ministers the elements of the deal, the Liberal back-benchers in this House voted against the resolution put forward by my friend from Sault Ste. Marie.

I ask, how much sincerity is there in the Liberal Party of Ontario when it says it is opposed to this deal, not just to free trade in general but to this deal, and it rejects a resolution put forward that says, "All right, if you are against it, these are the things you can do to stop it"? They voted against it, so it was voted down.

Although we have had a long period of the Premier saying that he did not like the deal, that he had a veto, that if it was not good for Ontario we would not have a deal, when we saw the draft, he said, "We had better wait for the final text." We now have the final text, and although there have been some changes, the six conditions put forward by the Premier still have not been met.

So what does this government do? It does not say, "All right, this is what we are going to do to stop the deal," as it said back before September 10. Instead, it introduces a namby-pamby resolution which basically says: "This is a bad deal. We do not like it." Then on top of it, it says, "We have got to pass this silly little resolution before January 2, when the deal will be signed by



Mr. Mulroney and Mr. Reagan,” and it sets aside all the other important business of the House to have a sort of esoteric discussion of whether or not this is a good deal or a bad deal but without any plan of action for responding to it.

**Mr. Neumann:** Your amendment is before us too, you know.

**Mr. Wildman:** Yes, and we have been told quite clearly that the government is going to vote down the amendment. The amendment gives the government the opportunity to put its money where its mouth is, and obviously it does not have the guts to do it.

**Mr. Neumann:** You wanted to refer the whole thing to a committee.

**The Acting Speaker (Miss Roberts):** Order.

**Mr. Wildman:** It became obvious that we were running into a serious situation in that—I am sincere when I say this—the important voting of supply to the government was not going to be carried out.

**Mr. J. B. Nixon:** It was so important that your leader decided to absent himself.

**Mr. Wildman:** I do not notice the presence of the Premier or any members of the Treasury bench here right now. How important is this to the government? There is not one member of the government present. If they are so damned sure about how important this is—

Interjections.

**The Acting Speaker:** Order. I would request that all members remember that they should make their comments through the Speaker. Interruptions are not appropriate at this time.

**Mr. Wildman:** Thank you very much, Madam Speaker. I appreciate it and I am sure you would agree with me that there is not one member of the government present.

What has the government said since it saw the final text? First, they said they had a veto, but they did not want to do anything until they saw the terms of the agreement. Then, when they saw the draft of the agreement, they said they did not want to do anything until they saw the final text. So what happens when they see the final text? They have said that they believe it to be unconstitutional, since it threatens provincial rights; but when asked, “OK, if you believe it to be unconstitutional, are you going to take it to the courts to have it tested in the courts?” the government says: “No, no, we do not want to do that. We might lose.” Well, that always happens when you go to court: You either win or lose.

So what is the government now saying? Well, the government says: “First, we said we wanted to see the draft. Then when we saw the draft, we said we wanted to see the final text. Now we have got the final text. Well, we had better now wait until we see some legislation to implement it.” This government is going to wait so long that it is going to be passed and upon us and it will not have done a damned thing about it. Passing this expression of opinion by January 2 is not going to stop it, and the members here who support the government know darned well that is the case.

Now, I am sure that when and if we do get federal legislation that implements this deal, then this government is going to get up and say: “Well, we cannot do anything now. It has already happened. Maybe we should wait until we see the impacts of this legislation, and then we will see if there is anything we can do to protect the people of Ontario, the industry in Ontario and the jobs in Ontario.”

What does it all mean? What it basically means is that this government made a tactical political decision that it had to talk against free trade, to express concerns about the free trade agreement, when it really was taking a hands-off position. It was not interested in fighting free trade; it had no interest in stopping free trade. It expected it to happen, it is going to acquiesce and it intended to do that all along.

This government does not believe it can or should do anything to stop the free trade agreement, to stop what I believe is a sellout of Canadian interests and certainly of Ontario’s interests.

**1650**

It has been said, and I agree, that this agreement does not secure access to the American market. It does not, even from Mr. Mulroney’s point of view. That was the only selling point of significance, that he and his negotiators were going to secure access to the American market, that it would protect us from the protectionist measures before the US Congress, that it would protect us from the omnibus trade bill that is before the US Congress and that there would be a dispute settlement mechanism that would ensure that when there were trade disputes and threats of protectionism against Canadian products, we would be protected.

Well, it does not protect us from the protectionist measures in the US Congress. It does not come into effect until 1989, by which time the omnibus trade bill will probably be passed and will take effect, and that will then make it possible for us to be protected only if Canada is

specifically exempted in the legislation. If you think that is going to be easy to get passed in Congress, then you are dreaming in Technicolor.

The dispute settlement mechanism is a joke. Instead of having to go to court, we will now have an international panel that will review any countervail or antidumping legislation that is imposed, but it will review it only in relation to the law of the country that has imposed that measure. That means that the kinds of countervail actions that were taken that led to the 15 per cent export tax on softwood lumber could still be taken in the United States and all the panel would be able to do would be to review such a decision to determine whether it had been made in accordance with the United States law. We are not exempted from those provisions of US law.

Some people in this House have said that we were pessimists, that we did not anticipate that we could negotiate. The reason we did not believe we could negotiate an acceptable agreement is simply because none of us in this party ever believed the Americans would give up that part of their sovereignty which would say that yes, Canada can be exempt from United States trade law. None of us believe that, and it did not happen.

**Mr. D. R. Cooke:** Why didn't you tell us that?

**Mr. Wildman:** We did. We have been telling the members right since the beginning. We have been telling Mulroney that. My federal leader has been telling Mulroney that.

I have a good relationship with my counterpart across the river in northern Michigan, Bob Davis, the congressman. We have dealt with each other from time to time on matters of mutual interest, and I never for a minute expected that even a congressman like Davis, who has an understanding of Canada and the relationship between Ontario and the United States, would ever agree to exempting us from sovereign US legislation and the rights of Congress to pass that kind of legislation, even though he is a very good friend of Canada's. Frankly, he would not expect us to give up those kinds of rights in relation to US products or US industries either.

So, what have we got? We have a lousy deal, a deal that threatens the sovereignty of this country and the economic future of this country, that has been negotiated by a federal government led by an individual whose only experience outside of politics has been working as the manager of a US branch plant and who seems determined to turn the whole country into a branch plant, and we have a provincial government in Ontario that has been talking a good game but does not intend to

do anything to protect the interests of this province or the people of this province and never has intended to.

So when I said earlier that this debate has been a waste of time, I believe it has been a complete and utter waste of time.

**Mr. Chiarelli:** Let's vote.

**Mr. Neumann:** Why did you move your amendment?

**Mr. Wildman:** We did move an amendment.

**Mr. D. R. Cooke:** We'll debate your amendment.

**Mr. Wildman:** Exactly.

**Mr. D. R. Cooke:** Why don't you get on topic?

**The Acting Speaker:** Order. Please continue.

**Mr. Wildman:** We moved the amendment, and I would certainly like to see a vote on that amendment.

**Mr. D. R. Cooke:** Sit down.

**Mr. Wildman:** I could say the same about the individual who spoke before me, who spoke at great length and said nothing that we had not heard before.

I will say this. I think it is most inappropriate that we have spent this time when we should be dealing with other matters of urgency, whether it be for the general administration of the government of this province; the payment of the employees of this province over the new year; the passage of legislation, whether it be for farmers, such as the vegetable growers or other groups in this province, that must be passed before the new year or at least before spring. Instead we discuss and discuss and discuss.

**Mr. Chiarelli:** Let's vote.

**Mr. Wildman:** I understand it appears that a back-bencher on the other side is calling for the vote. Did you hear him call for the question, Madam Speaker?

**The Acting Speaker:** I didn't.

**Mr. Wildman:** I think if this government is as serious as at least the back bench seems to think it is—

**Mr. D. R. Cooke:** No, no, no. We want to hear you say something intelligent.

**Mr. Wildman:** I wonder if he is suggesting a limitation on debate or closure. Is that what he is suggesting—a closure amendment by this government?

Madam Speaker, Mr. Speaker—you have changed your gender—there was an attempt at a compromise put forward before this House last



week that was rejected by the government. I hope the government and all parties can co-operate this week to deal with the matters of substance, the business of the House, and that the government can regain control of the order of business in this place; or, if it cannot at least do that, that it can compromise and allow us to help it order the business if it cannot do it itself so that we get something done that is of importance, rather than just continuing this debate on free trade when we have a government that intends to do absolutely nothing to protect the interests of the people of this province.

I regret that. I wish the government had the gumption to live up to its rhetoric, but unfortunately it does not. If it did, it would vote for the New Democratic Party's amendment.

**Mr. Cureatz:** It is with great humility that once again I have this wonderful opportunity to rise in my seat and represent all the fine constituents of Durham East, who very graciously allowed me the opportunity to once again serve them. Might I congratulate my colleague the member for Algoma (Mr. Wildman) who brought forward some very interesting aspects of the debate that is taking place this afternoon. I am sorry he is leaving, but I know he will be monitoring my comments on the television monitor and if he by chance is unable to tune me in, he will gladly refresh his memory by reviewing Hansard later tonight or possibly tomorrow morning so that he will have the appreciation of some of my thoughts and concerns of the resolution that is before us this afternoon.

It has been brought to my attention from time to time that, albeit we are now televised—something that the new members present cannot appreciate—as good as the television broadcasts are, and especially with regard to the resolution that is taking place because it affects so many of us across Ontario; and as good as the translators are who are hiding in the booth in the corner; and the people up on the third floor, the people who are monitoring with the television cameras, so that we might be able to participate in debates like this, so that people across Ontario will have the opportunity of tuning in and finding out what is going on here; as good as it all is, and we have noticed they put in the member's name and constituency, it has been brought to my attention that strangely enough when people do tune in—for instance today, Tuesday, the middle of the week between Christmas and New Year's, there might be one or two people at home at exactly five o'clock.

Suddenly they may have the urge, maybe while they are having a little cocktail before dinner, an early celebration of New Year's, to tune us in on the cable that is appropriately found about where the Legislative Assembly is broadcast. Suddenly they are listening to all the fine debates that are taking place in these hallowed chambers.

**1700**

But if they just tune in, they will not really have an appreciation of the resolution before us because, of course, they will just tune in and will be listening to a particular individual, myself as a case in point, who is bringing forward particular comments on the resolution before us. Those individuals who were tuning in the television would not have an appreciation of what the resolution was all about. I have brought this forward before and this is an exact case in point, that we should be considering—

**Mr. D. R. Cooke:** On a point of order, Mr. Speaker: I would like to draw the attention of the House and the Speaker to rule 19(d)(2), indicating that the speaker should be putting his mind to the resolution before the House. He is not here today to discuss television in the House. He is here to discuss a very important resolution. I would like to hear his views on it.

**Mr. Speaker:** I appreciate the point the member has brought up. However, I was listening carefully and I think the member was coming to the subject because he referred to the motion.

**Mr. Villeneuve:** He was right on the rails.

**Mr. Speaker:** Order. I hope the member will bring his comments and thoughts regarding the amended resolution.

**Mr. Cureatz:** Mr. Speaker, as you well know, I have a great admiration for your capabilities over the number of years you have served in the capacity of Speaker. Of course, you had the opportunity of being elected, I guess, one little short term before I was, if memory serves me correctly. I of course have had the opportunity of participating in a humble position such as you are encountering at the moment and have therefore some working knowledge in terms of what is required or not required of the debate that is before us in these chambers.

As you so well put forward, indeed I had the opportunity of bringing forward to members' attention the resolution before us in regard to the free trade aspects. Because, after all, this might be the only opportunity or chance we members have in these chambers to discuss this resolution,



I was making the point in terms of the television broadcast. Obviously, the member is not concerned about the people of Ontario having an appreciation of what is being debated here in this resolution. He stood up on a point of order and he demanded that I bring into context my comments on the free trade resolution. I was just doing that, Mr. Speaker.

I want to point out to the honourable member that our broadcasts here from the Legislative Assembly to people across Ontario may from time to time appear out of context, because they will suddenly turn on the television and there will be the member for Kitchener suddenly standing up on a point of order and it will not make any sense. Naturally, from time to time, people would say that he does not make any sense anyway. I am concerned about the people of Ontario understanding what is going on in here.

**Hon. Mr. Ward:** Sam, if they're watching now, they'll think they are in the twilight zone.

**Mr. Cureatz:** Now I know that is a little difficult with the present Liberal administration, especially for the Minister of Education (Mr. Ward) who has a lot of problems out in his own riding anyway, but that is a speech for another time.

I am bringing up the point that through our televised medium here in the Legislative Assembly, we can indeed bring the debates closer to the people at home, debates such as are taking place in regard to the free trade resolution. How can we do that? I think we should do something more than the little blurb at the bottom that says the name and riding of the speaker who is being televised or the little blurb "Free Trade Resolution," because that is what we are debating, the free trade resolution.

What would be really helpful would be a colour commentator—I have mentioned this before—possibly Rosemary Speirs, Robert Fisher, Lorrie Goldstein or Orland French. They could be sitting in the translator's booth and periodically, every five or 10 minutes, override the speeches that are taking place, the speeches about the free trade resolution—

**An hon. member:** Blow by blow.

**Mr. Cureatz:** —and they could indeed, blow by blow, give an indication about the manner in which the free trade resolution is continuing here.

**Mr. Neumann:** On a point of order, Mr. Speaker: Rule 35(b) indicates no member shall deliberately disorient the television viewers. I believe this member is so doing.

**Mr. Speaker:** Being somewhat familiar with the standing orders, I am not certain you have the correct number. However, I know the honourable member wants to continue to discuss the amended resolution that is before the House.

**Mr. Cureatz:** It amuses me to no great end that, heaven forbid, we have been accused of possibly extending our speeches unnecessarily in these chambers. I can assure the members here that from the bottom of my heart of hearts, as a particular individual used to say from time to time here, the more I am interrupted, the more it urges me on to participate in a meaningful way about the free trade debate here in front of us this afternoon.

That being said, my concern is in trying to assist the television people at home who are just tuning in at 5:06 p.m. and preparing dinner, having their fillets frying in the frying pan. The children are at home driving mum and dad bananas, I am sure, and they are saying, "Boys and girls, let us watch the free trade debate at Queen's Park." They are going to say, "What does a free trade debate at Queen's Park mean for me?" It is going to be a little difficult to explain that to them if they do not have the opportunity of finding out what the free trade debate is all about, and more particularly the resolution and the amendment to the resolution.

**Mr. Pelissero:** Read the resolution.

**Mr. Cureatz:** The future hopeful Minister of Agriculture and Food, Harry over here, the member for Lincoln (Mr. Pelissero), has urged me to read the resolution. Of course, he is anxious to be in cabinet. We all remember the little note from the present Minister of Agriculture and Food (Mr. Riddell) about how happy he was supporting the present member for Lincoln during the last election and running around with him in his riding to get re-elected against free trade. Embarrassing enough to the present Minister of Agriculture and Food, the member for Lincoln was elected and now he has to contend with him and look over his shoulder.

**Mr. Speaker:** The matter before the House is?

**Mr. Cureatz:** The member has asked me to read the resolution. I think that is a good thing to do again to refresh all our memories here and, more important, the people at home across Ontario because we could all agree with the fact that it is important for these chambers to get across to the people of Ontario what the debate is all about. We are all in favour of that. Hands up. Look at all the hands. I can say to the people at home that many of the Liberal back-benchers had



put their hands up because they are in favour of the aspect of reading the resolution that has been brought forward by the government.

I am so disappointed that the government House leader is not here because I think it would be important for him to have his memory refreshed in the way that the member for Algoma indicated about all the other important issues that should be taking place in these chambers. But no, we are carrying on with the resolution. What does the resolution say? I think this is important. I hope the Minister of Industry, Trade and Technology is listening closely. It goes like this:

"That in the opinion of the Legislative Assembly of the province of Ontario the proposed trade agreement between Canada and the United States fails to address Canada's needs and goals, while making significant concessions which could prove costly to Canadians. Specifically:"—

**Mr. Neumann:** On a point of order, Mr. Speaker: I believe the member is usurping the role of the Clerk in unnecessarily rereading the resolution.

**Mr. Speaker:** I thank the member for the so-called point of order. I will ask the member for Durham East to continue.

**Mr. Cureatz:** I appreciate that. I am encouraged by the member for Brantford. He defeated Phil Gillies, that notorious Tory on the front bench. The former mayor of Brantford; the member's fame has come before him. The member had a great sign campaign, too. It surprises me to no end that if he acted this way in the riding of Brantford, trying to stymie debate, trying to listen to the concerns of free trade—I will tell him, I will bet him there are not too many people on the streets of Brantford whom he could approach and say to them, "Do you know what the resolution on free trade in the Legislative Assembly of Ontario says?" How many people could he say that to in Brantford who would actually know? One? Two?

1710

He is obviously not doing his job as a constituency member. He might have been a great mayor, but I think he is falling far short in terms of his representation here, because it behooves me to explain to the people of Ontario the resolution that is before us. Obviously, he does not want the resolution to be read, because he wants debate to be stymied. He does not want his constituents in Brantford to have an appreciation of what is going on here. I am going to speak up for all those constituents in the riding he

represents, and I am going to refresh their memories about the resolution, as I was before I was so rudely interrupted.

The resolution continues on. People at home can see it is printed up on a nice piece of paper here. It says, "Votes and Proceedings." It continues on, all nicely typed up, with little bullets. I do not remember having bullets; we used to have little dashes but now we have gone to bullets. It must be something new with the large Liberal government because it thinks it is going to shoot us all down. Their time will come in the next election. The first bullet, for everybody at home:

"The proposed agreement fails to secure access to the US market for Canadian goods and services and provides no assurance of fairer treatment for Canadian exporters. It provides Canadians with virtually no relief from the US trade laws and regulations that are being used to harass them."

Pretty strong fighting words. But it continues on with the next bullet. For the benefit of the viewers at home, we are debating the free trade motion brought forward by the government of Ontario so that we would have the opportunity of discussing the motion over the holiday season. Next bullet:

"Under the proposed agreement, Canadian exporters could still be penalized in the United States as a result of Canadian policies and programs to promote industrial development, reduce regional disparities and manage our natural resources."

Again, fighting words. A little lopsided, but fighting words indeed. I continue; there is another bullet. To refresh everybody's memory:

"This agreement would relinquish our ability to pursue an independent energy policy in order to ensure security of supply or enhance regional development."

That strikes me to the quick because, for those members who missed my particular debate on the speech from the throne, I brought forward a particular concern of mine, the Darlington generating station, which is presently being built in my riding—some \$11 billion to \$12 billion of investment, four nuclear units, two of which will be fired up within the next year or two, the additional two in 1991 and 1992.

It grieves me to no end that the government suggests there could be the possibility of severe limitation of our control over energy in Canada and, more particularly, in Ontario. I can say truthfully that yes indeed, I too would be concerned about the possibility of that taking



place. Indeed, I am sure the member for Durham West (Mrs. Stoner), who is absent at the moment, who has Pickering in her particular riding, with eight units participating in the Ontario Hydro grid, would be as concerned as I am about the impact the resolution might have on our energy control in Ontario. We will take a further look at energy and the impact free trade has, if time permits me.

How about the next bullet? I think it is important to relate to the people at home that we are discussing the free trade resolution brought forward by the Liberal Party of Ontario, presently forming the government. They continue to say:

"This agreement would significantly reduce our ability to ensure that Canadians benefit from US investment and proposed takeovers of Canadian-owned firms."

I say to the member for Brantford, if he wandered up to one of his constituents and grabbed him by the shoulders or sat him down for a coffee and said, "Did you know that the free trade agreement would undercut safeguards which have ensured the existence of a dynamic Canadian auto industry and reduce Canada's ability to attract offshore auto industry investment?" the fellow sitting across from him would scratch his head and wonder why he ever voted for the member for Brantford. He would think he was out of his mind, spewing forth this stuff. And what is this stuff? It is the resolution that is being brought forward by the government.

Indeed, as I continue on in regard to the amendment to the resolution, it grieves me to no end and frightens me to think of some of the things that are being said by the newly elected back-benchers of the Liberal Party in their particular constituencies about the Premier's opposition to the free trade agreement and the Premier's agreement and the House leaders' agreement on what should take place in the assembly of the province, and suddenly we have this resolution in front of us. The member for Brantford and all members who are so attentively listening should trust me. There is indeed a particular platform that I am laying out.

I know the member for Durham Centre (Mr. Furlong), well-learned scholar in law that he is, would appreciate the case I am building. I am building my case and my argument so that I might convince one or two people here in terms of what is really taking place, of the procedural method of the Liberal Party in regard to this resolution. I say to the member for Durham Centre and the member for Northumberland

(Mrs. Fawcett) they should abide by me. They will see that it will all be clear as day, clear as the sun shining forth in terms of my concerns about this resolution and the way it has been brought forward.

There is another aspect of the resolution. This agreement would eliminate tariffs simultaneously in both countries despite the fact that Canadian tariffs start at a higher level. This agreement would threaten the existence of significant sectors of the agriculture and food processing industries, actually a big concern of mine.

I can see that I am boring the member for Kitchener at great length here. I want to tell members I was extremely bored on his particular points of order, but I did not insult him as he just has me with a great big yawn of indifference. I would say to him that when he stood up on his point of order in regard to my comments on free trade, I particularly made some very clear notes about his thoughts and concerns and evaluated them in my own mind as to whether they were relevant or not, and of course, Mr. Speaker, you so rightly ruled that his point of order was totally irrelevant. As a result, I need not have participated further in the debate when he stood up on his point of order.

The resolution continues, "This agreement would require the federal government to take"—in quotes, and I do not know whose idea were the quotes. Were they Hershell Ezrin's quotes? I do not know. Of course, many of the Liberals over there do not even know who Hershell is, I am sure. Who knows who Hershell Ezrin is? Hands up over there. Very few hands up. They are not doing their job over there. They should get the Minister of Mines (Mr. Conway) to introduce them to Hershell one of these days. It will be a worthwhile introduction. The member for Brampton South has never been introduced to him, but we are so pleased because I know he is anxious to hear my concerns about the resolution on the free trade debate:

"This agreement would require the federal government to take 'all necessary measures'"—that is the quote, and we still have not determined who put it in quotes—"to implement its provisions, including infringement on the provincial capacity to respond to the needs of Ontario citizens.

"Under this agreement Canada would give up far more than it gained."

I say to the viewers at home, we are again reviewing the free trade resolution brought forward by the Liberal government of Ontario so that we could all come back from our consti-  
tuen-



cies and continue the debate on it. There are two reasons we are going through this resolution: first, to explain to the people at home what the debate is all about, and second, to work into the procedural matter of why I am a little disappointed in the Four Horsepeople of the Apocalypse over there and the manner in which this resolution was brought forward.

It finally states:

"For these reasons, the Legislative Assembly of the province of Ontario opposes this agreement as detrimental to Canada's sovereignty and economic interests, and will not be bound to implement those aspects which fall under provincial jurisdiction. We urge the Parliament of Canada to"—now, listen, where are the Liberal back-benchers? This is where they should be banging their desks. I have to instruct them again. If they had been present when I gave my great speech on the speech from the throne, they would have understood at this point that this is what their government is saying and they should actually be banging the desks now because they are supposed to be supportive of it.

It is obvious what has happened at caucus. The Four Horsepeople have come in just as they did on any of the other pieces of legislation, such as conflict of interest, like shopping days, such as the increase in commissioners to the Metropolitan Toronto Police Commission, and they just told the members opposite what to do. They did not have any backbone to stand up.

1720

Now they finally have the opportunity of supporting the government, of supporting the Four Horsepeople over there, and they do not even react. Let us try it one more time. We will give them a second chance at this.

Interjection.

**Mr. Cureatz:** He is too early. The member for Frontenac-Addington (Mr. South) is too early. That is good. I will give him the cue in a moment. Here it goes, "We urge the Parliament of Canada to reject the agreement." Now they are supposed to bang the desks. Scattered banging of desks.

I say to the people of Ontario that it is evident the Liberal back-benchers here are not supportive of this resolution. I do not understand, then, why we are here debating it. I just read the resolution brought forward by the Liberal government of Ontario: not a peep. They are all frightened. They have been told by the Four Horsepeople over there that they have to support it.

Interjection.

**Mr. Cureatz:** The member is right, the Four Horsepersons over there. We know the four right there: the House leader, the Treasurer (Mr. R. F. Nixon), the Attorney General (Mr. Scott) and the Premier.

**Mr. Villeneuve:** Hershell?

**Mr. Cureatz:** It could be, but we remain in terms of names in the front of these chambers. I am sorry, I say to the former Minister of Health and the Chairman of Management Board of Cabinet (Mr. Elston). Maybe it will be the Four and a Half Horsepersons of the government.

In any event, it brings me to my point about the resolution on free trade that has been brought forward. I just read the Liberal government resolution. I did not have one bit of reaction from the Liberal back-benchers. Do you know why, Mr. Speaker? It goes back to my speech again. They all want to be in cabinet. They all think, all 48 of them, that they are going to be in cabinet in the next shuffle. Can you imagine? There are only 30 positions in cabinet and they all think they are going to be there in the next cabinet shuffle. They are afraid to bang their desks.

Some of them ask the odd question. Bob Callahan asks the odd question. I have not heard him ask a question on free trade yet. I am waiting for him—

**Mr. Speaker:** Do you mean the member for Brampton South?

**Mr. Cureatz:** The member for Brampton South. You are right, Mr. Speaker.

I am waiting for him to ask a question about his concerns about the amendment to the resolution by the Leader of the Opposition (Mr. B. Rae). I think it is only fair to the people of Ontario, because I know all the members here would appreciate me explaining to the people the resolution first, which I have just read, of which the Liberal back-benchers have not been very supportive. Not supportive at all, I might add, except for the member for Frontenac-Addington. He at least banged the desk. He was not quite on cue, but he got the idea. The rest of them do not even get a gold star. They are supposed to bang the desk when I read their government's resolution. They are supposed to be supportive. They all want to be home, maybe, like the rest of us, but they have been told to be here because the Four Horsepeople said: "We are debating this important resolution. It has to be passed before January 2."

What does the amendment say? I say to the member for Algoma, and I listened to his remarks with great interest, that it goes on, "Mr. Rae moved..."



I enjoyed the comment by the member for York South (Mr. B. Rae)—I have to admit, he is amusing sometimes—on a particular day when he stood up and said, “I refer to the third party, the Conservative Party.” Then he hesitated and looked over at us and said, “I say to the third party, the Conservative Party,” and he looked at us all and said, “Oh, that feels so good.” No doubt, he indicated that after all those years of serving in the third party, both federally and provincially, it felt good to be over in opposition for a change. I was mightily amused at how great he felt in terms of giving us the little twist. Of course, there is always time for another election and we will see how events unfold at that time.

I will let him enjoy his position and indeed the concern he has shown with regard to the free trade debate, none of which I see taking place here with all the Liberal back-benchers. Look at them all. I cannot believe it. There are hordes of them. I told them what they should do before. They could actually make a significant contribution here in this free trade debate. What do I hear? An extremely boring speech from the member for Guelph. I will get to him shortly.

What does the Leader of the Opposition say about the amendment? “That the motion be amended in the last paragraph by removing all wording after the word ‘Canada’s’ and substituting the following:...”

Now, this gets extremely wordy and I ask all the people at home to bear with me. I know this is tedious. I do not know why we politicians always have to get so involved with this verbiage in terms of the resolution. It took me about 15 minutes to get through the resolution on free trade. Now we have to go through another 10 minutes of the amendment. To the people at home, I say the Leader of the Opposition does not particularly like the resolution so he has put forward an amendment.

Here is the amendment: “sovereignty, and economic and cultural independence, and therefore, this Legislature agrees that the termination of this agreement is dependent on the government of Ontario fulfilling its pledge to block it, in concert with other opposing provinces; and therefore this Legislature calls on the government of Ontario to take the following immediate steps:...”

Here is what the New Democratic Party is proposing through the amendment of the leader of the New Democratic Party, an amendment to the free trade motion brought forth by the Liberal government, which I just read. Here are the bullets—we have more bullets here—five:

First, “A constitutional challenge to the agreement in the Supreme Court because of this agreement’s infringement on provincial jurisdiction.”

Actually, that is a good point. I say to the leader of the New Democratic Party, when he has asked that of the Premier and all the other front-benchers who have been with the Premier for all those years over here in opposition, that is a very good point.

What do we hear from the front bench? What do we hear from the Premier and the Attorney General? Liberal members, what do we hear? They have not been listening. I do not have a response. They have not been making notes when their leaders have been answering these questions.

Do you know what we hear about a constitutional challenge? We hear “maybe,” “some time,” “in the fullness of time,” “possibly,” “refer back to the election and the six points that we will not guarantee the deal.” That is what we hear in regard to that specific suggested amendment by the Leader of the Opposition to the resolution on free trade.

No wonder one or two of us get a little upset, I say to the member for Lincoln, a little frustrated when we hear that kind of 1984 doubletalk. It is unbelievable. It sounds like some time back in a time long ago when I was over on that side and I listened to one or two people on the front bench. The Liberal Party over here was always extremely critical about being vague. When they took office they were going to be substantive, they were going to make definite decisions, they were going to indeed bring forth policies that would be directed to the people of Ontario and they would show their colours.

What do we get? We get the free trade resolution, a wishy-washy response about taking it to court. We get Sunday opening. I was most disappointed. Finally we had a government that was going to at least attack the Sunday opening problem, and what does it do? It passes the dollar on to the municipalities.

I am surprised that the Four Horsepeople of the front bench have not brought this forward to caucus about passing on the free trade resolution to the municipalities. Have they tried that? Hands up. Have they tried to say, “Pass the resolution to the municipalities”? That will be the next one.

The member for Durham Centre is smiling. I can see the Minister of Correctional Services (Mr. Ramsay) smiling through his mustache. I bet they have thought about that and they have tried it, but maybe one or two, like Dr.



Henderson, has probably said, "Ah, come on, fellows, enough is enough; you can't carry that one off."

**Mr. Speaker:** The member for where?

**Mr. Cureatz:** The member for Etobicoke, I believe.

**Hon. Mr. Elston:** Etobicoke-Humber.

**Mr. Cureatz:** Etobicoke-Humber; I thank the Chairman of Management Board.

I can see this government trying to pass on this resolution to the municipalities. No wonder the member for Algoma is getting so irate. Usually, at the best of times, he is an extreme gentleman, very mild-mannered, very humble and quiet-spoken, but I have never seen him so irate as I saw him this afternoon about his disgust with this resolution, the disgust of the Liberals not supporting the amendment, and more important and well put, the disgust of not going forward with all the other important pieces of legislation that we should be debating.

As the leader of the third party has pointed out, a newspaper headline read, "Rae Off to Florida After Protesting Free Trade Debate." He said, "Mr. Premier, who do you think you are bringing us all back here? We should be with our families." And here we are discussing the free trade debate, discussing the amendment to the free trade debate by the third party and—do not worry, I say to the member for Durham Centre, I am building my case, we are almost there—"A message to the administration and Congress of the United States expressing our opposition to the free trade agreement."

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Third bullet: "An unequivocal commitment not to legislate, regulate or co-operate in any way to implement the agreement in any area of provincial jurisdiction, whether directly or indirectly";

Fourth bullet: "A commitment to take such other political and economic measures within Ontario's powers, which would have the effect of blocking this agreement";

And finally: "A message to the Parliament of Canada urging rejection of this agreement."

"The debate continued, and after some time, it was," on motion by an interesting person whom I have great respect for, the member for Sarnia (Mr. Brandt), adjourned to be debated another day, which we now are debating.

I say to the people of Ontario, since the Liberal members here do not seem to be too concerned about or responsive to their own resolution brought forward by their cabinet, that we have

just gone through the resolution with regard to the free trade agreement; we have gone through the amendment by the Leader of the Opposition, the leader of the New Democratic Party, to the resolution, and now we are participating in the debate.

The strange thing about all this, the very strange thing, is that the real nuts and bolts of the free trade debate should be taking place in Ottawa, wherever Ottawa is. What direction it is from here? Are they sitting in Ottawa now discussing free trade? I will try this on the Liberal back-benchers. Are the federal members of Parliament sitting in Parliament now?

**Some hon. members:** No.

**Mr. Cureatz:** No. Good. Someone is awake. I cannot believe it; they are actually listening sometimes. Some of them have responded no, that the members of Parliament are not sitting in Ottawa, and that is right; they are not sitting, oddly enough.

**An hon. member:** They're not concerned.

**Mr. Cureatz:** Well, it means that John Turner and Ed Broadbent are not concerned but, strangely enough, the Leader of the Opposition and the member for Sarnia are concerned, because we are sitting here, and I guess the Premier is concerned, because we are sitting. It strikes me as passing strange that the free trade agreement is being negotiated in Ottawa and they are not even sitting, and here we are in Ontario, having a very small effect on an international treaty but debating it. It is the strangest of events.

I once had hope for the Liberal back bench. When I spoke on the speech from the throne, I hoped there would be signs of intelligence over there but, as time progresses, there is not even a glimmer of hope. They are in the dark. It is disgusting. It just grieves me no end that they cannot understand that the federal government is entering into a treaty, negotiated internationally. They are not even sitting and here we are sitting debating the resolution that has been brought forward by the government with an amendment from the New Democratic Party.

What does this prove? I say to the people of Ontario, those who are just munching on their French fries, maybe at McDonald's or Burger King, what does this prove? This proves there is—now let me see—something rotten in Denmark. Who is the English scholar here? Hamlet. This proves that there is something very, very fishy taking place over there.

It strikes me as very strange indeed that the government of Ontario has brought forward a resolution which, as the rumour mill has it, was



not even planned on. The House leaders who really run this show are the member for Renfrew North (Mr. Conway)—who is our fellow?—the member for Nipissing (Mr. Harris) and whoever it is for the New Democratic Party, right? They get together—

Interjections.

**Mr. Cureatz:** We are all laughing. Let me tell the members that they are pulling the wool over our eyes. They get together three or four times a week, have a nice lunch, have a nice dinner at somebody else's expense, and say, "What are we going to do today in the House?" They make the deal and we all come in and then we try to find out what is happening. Well, they had made the deal, as we all understood.

For the people at home, the Liberal back-benchers are indicating that, maybe I do not know what is happening, but the proof of the matter—

[Applause]

**Mr. Cureatz:** The round of applause—

Interjections.

**The Acting Speaker:** The member for Durham East should continue.

**Mr. Cureatz:** Should I continue? Now that the hubbub has died down, the truth of the matter is that the wool has been pulled over the eyes of the Liberal back-benchers, because they were told that an agreement was reached in regard to a possible resolution on free trade.

Now they are all quiet, because it is striking them deep in their hearts. This is what they were told in caucus. They were told there would be the possibility of our leaving for Christmas, to go home to be with our families, to be in our constituencies to do what is actually the more important work, that is, looking after our constituents. That goes back to my speech from the throne debate, but there will be another time for that on the budget debate. I know members will all be present when I go through that.

In any event, the Liberal back-benchers were told not to worry. "We are running the show," said the House leader for the Liberal Party. "We have a huge majority. We are going to run this thing the way we want and we are going to bring forward this resolution on free trade. We made a deal with the other two House leaders, the member for Nipissing and"—we still have to find out the House leader for the New Democratic Party.

**An hon. member:** Dave Cooke.

**Mr. Cureatz:** Is it Dave Cooke? No, it is not. Dave Cooke sits over there. Oh, this Dave Cooke

over here. The other Dave Cooke. There are two Dave Cookes. OK, you are right. From Windsor.

**Mr. Reville:** The member for Windsor-Riverdale.

**Mr. Cureatz:** Is it Riverdale?

**Mr. Reville:** Windsor-Riverdale we call him.

**Mr. Cureatz:** I think it is Windsor-Riverside. The New Democratic Party does not even know.

In any event, the interesting thing is that everybody is listening because they want to find out what happened. They were told one thing in caucus; suddenly they came into parliament and they found out something else happened. Do members know what else happened? The member for Durham Centre he should listen to this. The member for Brampton South, as a lawyer, should know better. I am building my case. He should listen closely.

**Mr. Callahan:** Finally got it right.

**Mr. Cureatz:** I am disappointed in him. He should have more brains.

Do members know what happened? They changed the resolution.

**Mr. Callahan:** No, no. Point of clarification.

**Mr. Cureatz:** The member for Brampton South wants to have a point of order that indeed he has more brains. I will let him make the point of order.

**Mr. Callahan:** No, point of clarification.

**Mr. Cureatz:** He does not have more brains. That is right.

They brought in this resolution, which was different from the resolution that was agreed to by the House leaders.

**The Acting Speaker:** I remind the member for Durham East to make his comments directly through the chair as I hope the rest of the members will make their comments when they have a chance to speak. Go ahead, please.

**Mr. Cureatz:** I say to the acting Speaker that indeed she is absolutely correct. I will do my best to address my comments through you, Madam Speaker, to all the Liberal back-benchers and all the other people who have been interjecting and whom you have been so reluctant to call to order. Of course, at the next opportunity when a member interferes with my learned comments, I will bring to your attention that you should be calling him to order.

**Mr. Callahan:** Next time we hear some learned comments.

**Mr. Cureatz:** I think you should call the member for Brampton South to order. Are you going to call the member for Brampton South to



order? It goes to the fact of what my colleague the member for Markham (Mr. Cousens) said about his concerns about the Speaker's role. I told the Speaker this when I got up and asked my first question and congratulated the Speaker. Everybody had a little chuckle about that.

I said to the Speaker then, and I am darned serious about it, that the chair should not be overwhelmed by all the Liberals here, because every one of us has been elected from his constituency. This is the only place that we in opposition now have the opportunity of criticizing the government, and the Speaker's job is to be impartial, unbiased and to make sure we are all heard.

If my colleague who is extremely diligent in terms of his procedure—because he served with me as Deputy Speaker back three or four years—was concerned about the treatment he got, it goes to the fact of my comment when I first stood in my place and asked my first question, that the Speaker has to be very careful. So do not be too sluggish, as much as I admire you, Madam Speaker, in terms of your position, about ensuring that all of us have the opportunity to have our say in these chambers.

Before I was rudely interrupted on the resolution, what happened was that the House leaders had an understanding about the manner in which the process would take place so that all of us would adjourn and be back home for Christmas and New Year's, spend them in our constituencies and with our families, and indeed come back to work on committees. That is what the deal was, exactly.

That is how parliament should work. We cannot sit around a big table, all 130 of us, and make the deals. Someone has to do it, so the House leaders take part in that activity and relate to us all that is taking place, just as all the Liberal back-benchers appreciated what was taking place. They are all anxious, being frisky from their first term of office after the election of September 10, and all excited about sitting here and, then, like the member for Lincoln, getting a little discouraged because he was not made Minister of Agriculture and Food.

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In any event, do members know what happened? The House leader and his other three colleagues on the front bench pulled a fast one. They changed the terms of the agreement. There was an understanding among the House leaders about the process that should take place, about the parliamentary procedure, about how the House would be adjourned and we would come

back in April. The committees would sit—the standing committee on administration of justice, the free trade committee—and then carry on.

Suddenly, what do we have? We have this resolution, of which most of the Liberal back-benchers were not very supportive when I read it. I had to coax them twice, and only the member for Frontenac-Addington had the nerve to bang the desk in support. What happened?

**An hon. member:** Reread it.

**Mr. Cureatz:** Reread it. Well, do not tempt me. It is only because I have one or two other points of interest that I want to bring forward for the remaining 25 minutes that I will not reread it. But if by chance the spirit moves me, I might reread it to refresh everybody's memory at home that we are debating the free trade resolution brought forward by the Liberal government, with an amendment by the member for York South, the leader of the third party. The point is, they changed the free trade—

**Mr. Wildman:** You are the third party.

**Mr. Cureatz:** Now I did it. I have just been corrected, and rightly so. It was brought forward by the opposition party.

**Mr. Neumann:** Slightly ahead of your time.

**Mr. Cureatz:** Yes, maybe so.

In any event, suddenly we have a change in resolution, and do members know what the change is? The change is dictatorial, a specific statement about the free trade agreement and what the parliament of Ontario thinks about it. Why did they change that? That is the point of the case being made. We do not know, in terms of our position in opposition, why the Four Horsepeople in the front bench changed it, and I bet none of those people over there know why, either.

Has any of them asked the member for Renfrew North why they changed the resolution? Has anyone on the Liberal back bench ever asked him: "How come you did that to annoy the opposition parties?"—the official opposition and us in the third party. Who has had the nerve to ask him that? You know, he is not sacrosanct. Come on, Liberal back-benchers. Who over there has asked him? Any hands up? One, maybe? Here he is. He has returned from the road to Damascus. Finally he has come. Maybe he will have the opportunity of standing in his place and explaining to us why he broke the deal.

I do not know if I should say this. I will try it anyway. Sometimes there is honour among politicians. As much as we represent different parties, we have to make the process continue on.

There has to be an understanding. An understanding was reached, and suddenly, where are we? We are with a totally changed resolution with a dictatorial condemnation of the free trade agreement.

Since the Liberal back bench do not want to encourage me as to how they understand what took place in regard to the change in faith by the Liberal front bench, let me speculate on one or two possibilities.

The possibility is that the Premier, the House leader, the Treasurer and the Attorney General wanted to send a message quickly to the Parliament of Canada and to the United States Congress that the Ontario parliament was definitely against the deal. But that is so strange because under our parliamentary process — Now I know many of the Liberal back-benchers do not appreciate this, because they are all newly elected, but it is the old cart-before-the-horse routine.

We do have a committee structure here in the parliament of Ontario, although the opposition will be sorely outnumbered because, of course, a committee structure is in proportion to the numbers in the House, and there are a heck of a lot of Liberals and few Conservatives and New Democratic Party members, so the committee structure would be the same way. But that does not mean they can circumvent the committee structure. There are parliamentary procedures, I say to the House leader, and it grieves me that, of all people, the House leader, who has such a learned depth in the history of Canada, in Ontario—I say to the newly elected Liberal back-benchers, they should have heard him pontificate in the old days when he was over here in opposition about the tradition of the government of Ontario and our parliamentary heritage from Canada and England.

Of course, I think I know what happened. He took a trip to China for about six months and he has never been the same since he got back. I just wonder if that is what affected him and the change in this nasty resolution, which is dictatorial, which circumvents the whole parliamentary process here in the Legislative Assembly of Ontario.

How does it circumvent it? Let me give a little lesson to all the newly elected back-benchers. I say to the member for Lincoln, who obviously does not appreciate his colleague the member for Eglinton (Ms. Poole), because he is not even sitting in his chair, that the process is that he would take the particular concern to the committee, as was agreed upon, and the parliamentary

committee would, in this case, travel the province and have the opportunity of listening to concerns from various groups, be they industry, education—all the other fields that would be directly affected. Goodness knows, the agricultural field is a big one. I know only too well, having canvassed in the last election, as many of the members know, that all those interested fields would have the opportunity of coming forward—

[Interruption]

**Mr. Cureatz:** Time moves fast when one debates around here.

I say to the viewers at home that they just moved the clock 15 minutes ahead, and I feel I just spoke for five. In any event, maybe they will pull the hand down again as I really get into some of my concerns about this resolution.

I am blessed with the opportunity of having the government House leader, one of the Four Horsepeople of the Apocalypse. He is here and he is going to try to worm his way out of the fact of why this resolution was changed. He did not even tell his own colleagues, the Liberal back-benchers, and I am only speculating.

It grieves me, after having heard for hours and hours when I was Deputy Speaker the member for Renfrew North going on about the parliamentary history of Ontario and Canada at great length. Goodness knows it was tedious, worse than I ever am, I will tell members. They should trust me. If they do not believe me, they can go back and read some of his speeches in Hansard. They were deadly.

In any event, he has the gall, the nerve, to circumvent the parliamentary process and suddenly, through the power of the 95 Liberals, to ram through this resolution without going through the parliamentary process of having hearings across Ontario to have those interested groups come forward.

I know the opposition party might be a little annoyed at me, but I respect its principles. I even think they can appreciate my concerns at this point.

I will give credit where credit is due and I say to the opposition: “You are the official opposition. You won it, rightly so, in the last election. I give you credit. We were blown out of the water. There are 16 of us.” The member cannot even take a compliment, goodness knows. Maybe when I criticize him he will be happy again. I do not know.

If there is one thing I have learned from the New Democratic Party, it is that it is very sticky about following parliamentary procedure. If anyone knows the rules, it is the member for



Oshawa (Mr. Breauth), whom I thought I saw earlier. He is always jumping up and down about parliamentary procedure and lambasting the Speaker about what should or should not have been done.

**Mr. D. S. Cooke:** Where did you see Mike?

**Mr. Cureatz:** Maybe I did not see him. I guess not. OK, maybe there are so many in the opposition party that it looked like him.

The point is that I know how much the opposition respects my point of view that the large Liberal majority government has circumvented the parliamentary process, has reneged on the understanding of the House leaders and has brought forward this dictatorial resolution condemning the free trade agreement, even before the committee goes on tour.

I say to the Liberal back-benchers, do they want to make a name for themselves? Do they want suddenly to get put in cabinet fast, get rid of the Minister of Education? They should just stand up in caucus and start asking some of these embarrassing questions. The Premier is going to have to sit down with Hershell Ezrin and say: "Holy smokes, we have to put them out of place. I know, put them in the cabinet. They will not be so embarrassing." But no: They are all shy. They are all quaking in their boots. I told them before they should gather together five, 10 or 15 of them; there is safety in numbers. I confess that I should have done the same thing in the old days of the god emperor. A few of us should have done that.

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They would have made a valuable contribution in the chamber for the people of Ontario instead of sitting back like seals, as the Minister of the Environment (Mr. Bradley) used to criticize us. It is my turn now. I say to the seals that they should gather together and ask why the government House leader is circumventing the parliamentary procedure in Ontario.

Do the members know what? I had the opportunity of taking a look at the Canadian Parliamentary Guide 1987. There are some interesting aspects in here. One of the first I stumbled across is the member for Kitchener, born August 4, 1937, at Oshawa, Ontario, my home area. How could he turn on us that way, coming from Oshawa? I do not understand that. He was educated at Victoria Public School, Kingston, and Queen's University. So was I. A man of great intelligence, one would gather from the Canadian Parliamentary Guide. I do not understand this.

Perhaps I could continue just for a moment, because if members remember, he stood in his place and made a point about my comments on the resolution before the House on free trade. Of course, he was out of order. I am just bringing forward the point and continuing about the stature of this fine individual, the member for Kitchener, who indicated among other things the number of clubs he belongs to. A lawyer? Goodness' sakes. No wonder he is in trouble. A Big Brother; belongs to a number of groups; first elected in 1985. It does not list his political association. No, it does: way at the bottom. It says Liberal, way at the bottom. I could hardly see it. It was just in fine print. Because he is a lawyer, we would understand that.

I do not understand how the member for Kitchener, who has been so well educated, so well learned, who has contributed as much to his community as he has in the past, who ever so hesitantly indicates he is a member of the Liberal Party—it grieves me to no end how he could allow the Four Horsepeople of the Apocalypse over there to come forward with this resolution circumventing the parliamentary procedure. I do not understand it. It is all here in the book, his background. He is well educated. He has had political experience. He should know better, that this resolution should have gone through the parliamentary process, gone through the committee structure so that people across Ontario would have the opportunity—is that clock not moving again?

**Mr. D. R. Cooke:** On a point of order, Madam Speaker: A simple point, a point of clarification, perhaps, or point of information: The member should be aware that the standing committee on finance and economic affairs is already discussing this matter. We have a very clear mandate to do that and we are doing that, regardless of the outcome of this resolution.

**The Acting Speaker:** That is not a point of order. I ask the member for Durham East to continue.

**Mr. Cureatz:** I would be more than honoured and privileged to have the opportunity of continuing the debate.

I brought forward to the members' attention the member for Kitchener and his reluctance to intervene for the parliamentary process that should be taking place. I said, with grave sadness at reviewing some aspects of his background in the Canadian Parliamentary Guide, that I do not understand how he could be hoodwinked by those people on the front bench with this



resolution. Oddly enough, I can see way over there in the back benches—

**Mr. Harris:** You have no mandate right now.

**Mr. D. R. Cooke:** Oh, yes we do.

**The Acting Speaker:** Order.

**Mr. Cureatz:** Where is my directory? Here we go.

Interjections.

**The Acting Speaker:** Order. Thank you. You may continue.

**Mr. Cureatz:** I see with great interest that the member for Mississauga North (Mr. Offer) is here. I have great respect for the member for Mississauga North because, of course, he represents part of the area I originally come from. The member for Mississauga North—I want to make

a comparison. I have gone from one end of the Liberal back bench way over there, and I am now going to go way to the other end of the Liberal back bench. I am going to come way over here to the rump, too. Do not worry. We will cover this problem about my concerns of the Liberal back-benchers' lack of initiative in pointing out to the front bench the circumventing of parliamentary procedure on this resolution.

I say to the member for Mississauga North, "Holy smokes. Incredible." Born in 1949 in Toronto, Ontario, and educated at York University and Osgoode Hall Law School. Another lawyer. Why am I always picking out lawyers? Has he complained to the Premier about our losing our QCs? Has anyone done that lately? Or to the Attorney General? He is the one who is really mad about that. That will be a debate for another day.

I am pointing out that I have nothing but the highest respect for the member for Mississauga North, who among other things belongs to the County Law Association, the Canadian Bar Association and the Peel Multicultural Council. He was first elected in 1985, was appointed parliamentary assistant to the Minister of Consumer and Commercial Relations in June 1985 and his party politics is?

**Mr. Reville:** You filled the time.

**Mr. Cureatz:** I cannot see it; I cannot see the party politics. I can only presume it is Liberal.

Now, when I look over that résumé, I say to all the Liberals, I say to all the members here, that it astounds me in terms of the learnedness that the member for Mississauga North has—part of my old home town, where I went to Thomas L. Kennedy Secondary School—that he has not been able to see through the smoke and mirrors that is

taking place with this resolution. He was a chairman of a committee—a task force, I think—under the old days of minority government, was he not? Yes? No? Maybe? He forgets. How soon he forgets.

**Mr. Offer:** It was a subcommittee.

**Mr. Cureatz:** Well, he should not be embarrassed about it. He had a good position, I think. I think he ran around the province and investigated all kinds of concerns and problems.

He should know better than to carry on with this kind of nastiness, circumventing the parliamentary process of allowing the committees to go forward across Ontario to have input about free trade. Listen, believe it or not, I am no fool. I know what will happen on the committee.

**Hon. Mr. Elston:** Convince us.

**Mr. Cureatz:** Got a countdown here by the member for Eglinton.

I want to say to the member for Mississauga North and the member for Kitchener, both learned in the law, that it grieves me no end that they have not had—How did the Minister of Culture and Communications (Ms. Munro) put it? I just forget how she said it. "You just don't have"—I just forget how she put it, but in any event, it grieves me no end that they have not stood up in caucus and said: "Mr. Premier, Hershell, do you think this is right? Do you think we should circumvent the parliamentary process? After all, the opposition parties should have the opportunity of having their say. Shouldn't we allow the committee to travel across Ontario to allow input from all the various groups on this resolution on free trade? This free trade resolution should have the opportunity of being debated across Ontario."

**Mr. Chiarelli:** On a point of order, Madam Speaker: With the greatest respect, I would like to draw to your attention standing order 19(d): "In debate, a member shall be called to order by the Speaker if he:..." "3. Persists in needless repetition." I do believe that the member who has the floor at present is abusing the process of this House with needless repetition, and I bring to your attention the fact that if he continues to do so, I will ask you to call him to order.

**The Acting Speaker:** Thank you very much. An excellent point of order. I am sure he is going to go on to another topic immediately.

**Mr. Harris:** On the point of order, Madam Speaker: On the point that was raised by the member for Ottawa West (Mr. Chiarelli), I want to tell you that we have great confidence in you, in your office and in your ability to call members



to order when it is appropriate, and we would rest our case with you as opposed to the silly interjection from the member for Ottawa West.

**Mr. Wildman:** On the point of order, Madam Speaker: I want to point out to the member for Ottawa West that he is quite right on the point of order that he brings to your attention. However, I do also want to point out that the member for Durham East always speaks this way.

**The Acting Speaker:** The member for Durham East has the floor to continue.

**Mr. Cureatz:** And I was so complimentary to my colleague and friend the member for Algoma.

**The Acting Speaker:** I ask the member for Durham East to look at the clock, the appropriate clock.

**Mr. Cureatz:** I say to the Premier, it is like the Liberal Party of Ontario. That thing is not working either.

On motion by Mr. Cureatz, the debate was adjourned.

The House adjourned at 6 p.m.

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26	1328	1	28	case to RPAC, the problem-solving group in the

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**ANSWERS TO QUESTIONS IN ORDERS AND NOTICES****ONTARIO HYDRO'S ANNUAL REPORT****INTERIM ANSWER**

**28. Mr. McLean:** Would the Minister of Energy provide the cost for printing the 1986 Ontario Hydro annual report? [Tabled December 2, 1987]

**Hon. Mr. Wong:** Printing costs for Ontario Hydro's 1986 annual report totalled \$97,565.

**69. Mr. Philip:** Hon. Mr. Patten—The ministry requires additional time to provide the information required by this question. The answer should be available on or about May 16, 1988.



## ALPHABETICAL LIST OF MEMBERS\*

(130 seats)

First Session, 34th Parliament

**Lieutenant Governor: Hon. Lincoln M. Alexander, PC, QC**


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Adams, Peter (Peterborough L)	<b>Fulton, Hon. Ed</b> , Minister of Transportation (Scarborough East L)
Allen, Richard (Hamilton West NDP)	Furlong, Allan W. (Durham Centre L)
Ballinger, William G. (Durham-York L)	<b>Grandmaitre, Hon. Bernard C.</b> , Minister of Revenue (Ottawa East L)
Beer, Charles (York North L)	Grier, Ruth A. (Etobicoke-Lakeshore NDP)
Black, Kenneth H. (Muskoka-Georgian Bay L)	Haggerty, Ray (Niagara South L)
Bossy, Maurice L. (Chatham-Kent L)	Hampton, Howard (Rainy River NDP)
<b>Bradley, Hon. James J.</b> , Minister of the Environment (St. Catharines L)	Harris, Michael D. (Nipissing PC)
Brandt, Andrew S. (Sarnia PC)	Hart, Christine E. (York East L)
Breaugh, Michael J. (Oshawa NDP)	Henderson, D. James (Etobicoke-Humber L)
Brown, Michael A. (Algoma-Manitoulin L)	<b>Hošek, Hon. Chaviva</b> , Minister of Housing (Oakwood L)
Bryden, Marion (Beaches-Woodbine NDP)	Jackson, Cameron (Burlington South PC)
Callahan, Robert V. (Brampton South L)	Johnson, Jack (Wellington PC)
Campbell, Sterling (Sudbury L)	Johnston, Richard F. (Scarborough West NDP)
<b>Caplan, Hon. Elinor</b> , Minister of Health (Oriole L)	Kanter, Ron (St. Andrew-St. Patrick L)
Carrothers, Douglas A. (Oakville South L)	<b>Kerrio, Hon. Vincent G.</b> , Minister of Natural Resources (Niagara Falls L)
Charlton, Brian A. (Hamilton Mountain NDP)	Keyes, Kenneth A. (Kingston and The Islands L)
Chiarelli, Robert (Ottawa West L)	Kozyra, Taras B. (Port Arthur L)
Cleary, John C. (Cornwall L)	<b>Kwinter, Hon. Monte</b> , Minister of Industry, Trade and Technology (Wilson Heights L)
Collins, Shirley (Wentworth East L)	Laughren, Floyd (Nickel Belt NDP)
<b>Conway, Hon. Sean G.</b> , Minister of Mines (Renfrew North L)	LeBourdais, Linda (Etobicoke West L)
Cooke, David R. (Kitchener L)	Leone, Laureano (Downsview L)
Cooke, David S. (Windsor-Riverside NDP)	Lipsett, Ron (Grey L)
Cordiano, Joseph (Lawrence L)	Lupusella, Tony (Dovercourt L)
Cousens, W. Donald (Markham PC)	MacDonald, Keith (Prince Edward-Lennox L)
Cureatz, Sam L. (Durham East PC)	Mackenzie, Bob (Hamilton East NDP)
<b>Curling, Hon. Alvin</b> , Minister of Skills Development (Scarborough North L)	Mahoney, Steven W. (Mississauga West L)
Daigeler, Hans (Nepean L)	<b>Mancini, Hon. Remo</b> , Minister without Port- folio (Essex South L)
Dietsch, Michael M. (St. Catharines-Brock L)	Marland, Margaret (Mississauga South PC)
<b>Eakins, Hon. John F.</b> , Minister of Municipal Affairs (Victoria-Haliburton L)	Martel, Shelley (Sudbury East NDP)
<b>Edighoffer, Hon. Hugh A.</b> , Speaker (Perth L)	Matrundola, Gino (Willowdale L)
Elliot, R. Walter (Halton North L)	McCague, George R. (Simcoe West PC)
<b>Elston, Hon. Murray J.</b> , Chairman of the Management Board of Cabinet (Bruce L)	McClelland, Carman (Brampton North L)
Epp, Herbert A. (Waterloo North L)	McGuigan, James F. (Essex-Kent L)
Eves, Ernie L. (Parry Sound PC)	McGuinty, Dalton J. (Ottawa South L)
Farnan, Michael (Cambridge NDP)	McLean, Allan K. (Simcoe East PC)
Faubert, Frank (Scarborough-Ellesmere L)	<b>McLeod, Hon. Lyn</b> , Minister of Colleges and Universities (Fort William L)
Fawcett, Joan M. (Northumberland L)	Miclash, Frank (Kenora L)
Ferraro, Rick E. (Guelph L)	Miller, Gordon I. (Norfolk L)
Fleet, David (High Park-Swansea L)	Morin, Gilles E. (Carleton East L)
<b>Fontaine, Hon. René</b> , Minister of Northern Development (Cochrane North L)	Morin-Strom, Karl E. (Sault Ste. Marie NDP)

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**Munro, Hon. Lily O.**, Minister of Culture and Communications (Hamilton Centre L)  
 Neumann, David E. (Brantford L)  
 Nicholas, Cindy (Scarborough Centre L)  
 Nixon, J. Bradford (York Mills L)  
**Nixon, Hon. Robert F.**, Deputy Premier, Treasurer of Ontario and Minister of Economics and Minister of Financial Institutions (Brant-Haldimand L)  
 Offer, Steven (Mississauga North L)  
**O'Neil, Hon. Hugh P.**, Minister of Tourism and Recreation (Quinte L)  
 O'Neill, Yvonne (Ottawa-Rideau L)  
 Owen, Bruce (Simcoe Centre L)  
**Patten, Hon. Richard**, Minister of Government Services (Ottawa Centre L)  
 Pelissero, Harry E. (Lincoln L)  
**Peterson, Hon. David R.**, Premier and President of the Council and Minister of Intergovernmental Affairs (London Centre L)  
 Philip, Ed (Etobicoke-Rexdale NDP)  
**Phillips, Hon. Gerry**, Minister of Citizenship (Scarborough-Agincourt L)  
 Poirier, Jean, Deputy Speaker and Chairman of the Committees of the Whole House (Prescott and Russell L)  
 Pollock, Jim (Hastings-Peterborough PC)  
 Polsinelli, Claudio (Yorkview L)  
 Poole, Dianne (Eglinton L)  
 Pope, Alan W. (Cochrane South PC)  
 Pouliot, Gilles (Lake Nipigon NDP)  
 Rae, Bob (York South NDP)  
**Ramsay, Hon. David**, Minister of Correctional Services (Timiskaming L)  
 Ray, Michael C. (Windsor-Walkerville L)  
 Reville, David (Riverdale NDP)  
 Reycraft, Douglas R. (Middlesex L)  
**Riddell, Hon. Jack**, Minister of Agriculture and Food (Huron L)  
 Roberts, Marietta L. D., Deputy Chairman of the Committees of the Whole House (Elgin L)

Runciman, Robert W. (Leeds-Grenville PC)  
 Ruprecht, Tony (Parkdale L)  
**Scott, Hon. Ian G.**, Attorney General (St. George-St. David L)  
 Smith, David W. (Lambton L)  
**Smith, Hon. E. Joan**, Solicitor General (London South L)  
 Sola, John (Mississauga East L)  
**Sorbara, Hon. Gregory S.**, Minister of Labour (York Centre L)  
 South, Larry (Frontenac-Addington L)  
 Sterling, Norman W. (Carleton PC)  
 Stoner, Norah (Durham West L)  
 Sullivan, Barbara (Halton Centre L)  
 Swart, Mel (Welland-Thorold NDP)  
**Sweeney, Hon. John**, Minister of Community and Social Services (Kitchener-Wilmot L)  
 Tatham, Charlie (Oxford L)  
 Van Horne, Ronald G. (London North L)  
 Velshi, Murad (Don Mills L)  
 Villeneuve, Noble (Stormont, Dundas and Glengarry PC)  
**Ward, Hon. Christopher C.**, Minister of Education (Wentworth North L)  
 Wildman, Bud (Algoma NDP)  
**Wilson, Hon. Mavis**, Minister without Portfolio (Dufferin-Peel L)  
 Wiseman, Douglas J. (Lanark-Renfrew PC)  
**Wong, Hon. Robert C.**, Minister of Energy (Fort York L)  
**Wrye, Hon. William**, Minister of Consumer and Commercial Relations (Windsor-Sandwich L)

\*The alphabetical list of members appears in each issue. Lists of the members of the executive council, parliamentary assistants and members of committees, brought up to date as necessary, are published in Hansard in the first and last issues of each session and on the first sitting day of each month.



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No. 30

# Hansard

## Official Report of Debates

### Legislative Assembly of Ontario

**First Session, 34th Parliament**  
Wednesday, December 30, 1987



Speaker: Honourable Hugh A. Edighoffer  
Clerk of the House: Claude L. DesRosiers

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# LEGISLATIVE ASSEMBLY OF ONTARIO

Wednesday, December 30, 1987

The House met at 1:30 p.m.

Prayers.

## MEMBERS' STATEMENTS

### RETAIL STORE HOURS

**Mr. Allen:** With the recent announcement of the Solicitor General (Mrs. Smith) that it is impossible to find a general solution to the question of Sunday shopping, and that therefore wide-open Sunday shopping in Ontario is inevitable, Ontario has come full circle in one century. It was in 1888 that another Liberal government under Oliver Mowat amended the Municipal Act to permit municipalities to pass early-closing bylaws at the request of a certain percentage of merchants in a given trade.

Small businessmen across Ontario had been bedevilled by long working hours. Competition demanded that they stay open until there was no business left to do, and they did, with disastrous consequences for themselves and their workers. So they formed early-closing movements to protect the quality of their lives from the rampant competition and consumerism of their time, but it was only when municipalities and the province were prepared to act that they secured relief.

Now this government is going back on all that. It is turning its back on the small businessmen, their employees and the service trades that feed them. It is turning its back on the families involved. It is turning its back on the faith communities of the province, who expect better than buck-passing and laissez-faire in matters of quality of life from this government. It is finally turning its back, indeed, on Oliver Mowat and its own past. Shame.

### EMERGENCY TELEPHONE NUMBER

**Mr. McCague:** Yesterday in the Legislature the Solicitor General (Mrs. Smith) stated that she was not aware that the 911 emergency service was not available across the province. The 911 service just happens to be one of the most important links for a life-saving emergency response. As a matter of fact, the assistant deputy minister of emergency services in the Ministry of Health was quoted as saying in the Ministry of Health estimates that the 911 service "is some-

thing we should all have access to", and we have become more and more convinced that 911 is extremely important."

Given the life-and-death importance of the 911 service, the Solicitor General's lack of knowledge is extremely negligent. There have been a number of emergency situations lately in which people have phoned 911 only to find out that their area has no such service.

One of the reasons is that municipalities cannot afford the cost. Government is the only source of funding assistance for 911 service, since municipalities are hard pressed to cover the rest of the costs. I urge the government of Ontario to act immediately so that this service is available to all Ontarians.

Emergency situations, no matter what the nature, are often traumatized by reactions of panic and frustration, but for the victims who happen to be in an area that is not serviced, their immediate crisis is complicated with a high degree of confusion.

Mr. Speaker, can you imagine what your reaction would be if you dialed 911 for some emergency help and were told, "Sorry, you have dialed the wrong number"?

### STUDENT FUND-RAISING

**Mrs. Fawcett:** I am honoured and privileged to rise in the House today to pay tribute to the members of the very special staff and student body of East Northumberland Secondary School in Brighton. I was very pleased to attend, on December 9, the rededication ceremony of their school gymnasium to the Terry Fox Community Gymnasium in honour of one of Canada's national heroes.

Not only was the gym rededicated but a cheque from the students in the amount of \$10,020.50, payable to the Terry Fox Marathon of Hope, was presented to Terry's mother, Mrs. Betty Fox. This amount was raised by taking part in the annual Terry Fox run, held in September at the school. The run, initiated by former principal Martin Halloran and teachers Hugh MacDonald and David Cornier, has been taking the place of their annual harrier race for the past seven years. In the past four years, however, a grand total of \$35,900 has been realized, and this amount leads



all schools in Ontario, if not all of Canada, for moneys raised for this great cause.

Betty Fox flew from Vancouver to be in attendance at this significant event. In her remarks to the students, Mrs. Fox praised them for their wonderful efforts and thanked them for their contribution towards making Terry's dream a reality: finding a cure for cancer.

I hope members will join me in saluting these fine young men and women in the riding of Northumberland, who are indeed an inspiration to us all.

#### TORONTO CITY COUNCIL

**Mr. Reville:** Recently I called for an inquiry into influence-peddling at Toronto city hall. Regrettably, the Minister of Municipal Affairs (Mr. Eakins) declined to launch such an inquiry, saying, among other things, that he had not received any letters expressing concern about the possible influence-peddling going on at city hall.

I happen to know that he has now received at least one letter, and I want to read part of it into the record. It is from a gentleman named Lee Zaslofsky, and he says in part:

"It appears to me that democratic municipal government in Toronto has been gravely weakened by the activities of a clique of developers, their lawyers, and politicians eager to serve them. They have in the current term of council managed to turn the zoning process into a game whose outcome is determined by the amount of money that can be poured into the 'campaign funds' of willing politicians. It appears that one alderman raised \$17,000 to fight a campaign in which he was acclaimed!

The letter goes on to say:

"The problem here is that the ordinary resident is excluded by definition from this rich man's game; and that the future of the city is decided, not on the basis of the needs and desires of its residents, but on the basis of an apparently corrupt financial relationship between developers and politicians."

Surely it is now time to call the inquiry so that we can put a stop to this increasingly shameless and open subversion of democracy in Metro Toronto.

#### DISTRICT OF PARRY SOUND

**Mr. Eves:** I rise in the House today to bring together an old chestnut in Parry Sound riding, the inclusion of the district of Parry Sound in northern Ontario for the purposes of all government ministries, agencies, boards and commissions.

The member for Cochrane North (Mr. Fontaine) is again the Minister of Northern Development. I am glad to see him here. It was a year ago February—almost two years ago now, in February 1986—that the member for Cochrane North appeared as the guest speaker at the Federation of Northern Ontario Municipalities conference, which coincidentally was held in the town of Parry Sound. FONOM has always regarded the district of Parry Sound as being part of northern Ontario, and he then gave a commitment that he would do everything in his power as Minister of Northern Development and Mines to see to it that Parry Sound was brought into northern Ontario.

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The Premier (Mr. Peterson), on February 12, 1987, a year later, said to me in committee:

"The case you make is a rational one, and I am not going to tell you it is not....If you will allow me, I will go back with renewed vigour to discuss this with my colleagues, particularly the three you bring to my attention....I am not even going to fight with you or disagree with you, because I cannot."

On June 25, 1987, my private member's resolution was passed unanimously, even by members of the government, and particularly by the member for Timiskaming (Mr. Ramsay), who at that time was the parliamentary assistant to the Premier and Minister of Northern Development.

It was renewed during the election campaign. To date, the promise has not been delivered upon and I look forward to their delivering on this promise.

#### HANDS ACROSS THE CITY

**Mr. Dietsch:** I wish to inform this Legislature of a unique project that takes place in St. Catharines at this time of year. Hands Across the City was created by Albert Perez, a local restaurant owner. In its first year, local business people and residents joined in the spirit of giving to provide Christmas baskets containing a special Christmas dinner and a week's groceries for 132 families. Last year this group helped to make Christmas special for over 300 families.

I am pleased to announce that this year's goal was to raise \$60,000. It was reached and helped a total of 600 families to celebrate this holiday season.

The innovative fund-raising approach taken by Hands Across the City included endeavours such as racketball, tennis and squash tournaments, raffles and sock hops, to name a few.



The community of St. Catharines exemplifies those qualities that make Ontario the compassionate, caring society that I am proud to serve. The motto of Hands Across the City is, "The spirit of St. Catharines...the spirit of giving." I know that members of this Legislature will join with me in commending the Hands Across the City organization.

#### WASTE DISPOSAL

**Miss Martel:** Twice in this session I have brought to the attention of the Minister of the Environment (Mr. Bradley) the terrible situation facing residents in Dill township, where there is untreated human waste being dumped in a site that is virtually in their backyard. An alternative site has been chosen, but we cannot get the sanitation company to agree to sign the transfer.

Three weeks ago the minister told me everything was all right. Two weeks ago the Minister of Northern Development (Mr. Fontaine) and the Minister of Government Services (Mr. Patten) told me it was all taken care of. Last week the local residents called and said the man again refused to sign the agreement.

I say to the minister, this situation is a fiasco and I hope that in the new year he will have enough courage to do something about it.

#### VISITOR

**Mr. Speaker:** I have been advised that we have a visitor in the lower east gallery today: Robert Kaplan, a member of Parliament. We are glad he is spending his holiday with us. Please join me in welcoming Mr. Kaplan.

#### ORAL QUESTIONS

##### FIRESTONE CANADA INC.

**Mr. Allen:** I have a question for the Premier with respect to the Firestone closure that we were discussing yesterday in the House.

Yesterday the Premier responded to my colleague the member for Hamilton East (Mr. Mackenzie) and his questions with the dollars that the government had offered to facilitate the sale of the plant and the continuation of tire production in Hamilton. I have to say that we were impressed by the amounts, but to our shocked city they simply served to increase our bewilderment as to the reason the projected bid failed. For example, the gap of \$7 million between the parties pales in comparison to the \$56 million of aid overall offered by the two governments.

Can I ask the Premier, did either of the two levels of government at any point offer to make

up that particular difference between the parties? Can the Premier offer any further light as to some of the mysterious circumstances around the sale that mystify us? Was Firestone, in his impression, a reluctant seller under these circumstances? Was the Cooper Tire and Rubber firm only prepared to act if it was not guaranteed—

**Mr. Speaker:** Order. A number of questions have been asked.

**Hon. Mr. Peterson:** The negotiations went on for some nine months, as I recall. The honourable member will be aware of that. They were rocky negotiations at various points, frankly. It was not exactly clear if Firestone was a willing vendor. We had canvassed a variety of potential purchasers, other tire manufacturers indeed around the world.

Cooper came into the situation—I cannot give my friend the exact date but my honourable colleague could perhaps give him more specific details than I could in that regard. But at the end it appeared that indeed Firestone was willing to sell and that Cooper, we thought, was willing to buy. They required financial help from the governments, not just to buy the plant, because the price of the plant was not significant compared to the overall retooling that would be required. My facts could be wrong, but I think it was in the order of \$100 million that was going to be required in capital investment to upgrade the competitive capacity of that plant, hence the offers made by the federal and provincial governments.

I do not believe that the so-called \$7-million gap was in any way significant in the deal's not closing. I can refer the question to my colleague to bring up more information, if the member would like. He talked to the president of Cooper today. He indicated, I believe, to the minister that the price was not the problem, that they were not able to make all the arrangements necessary in the circumstances, looking at the long-term profitability of the future and looking at their options, including increasing their capital investment in their Mississippi plant. They came to that decision. I do not believe it was a financial question in terms of government contribution. I believe it was for other factors, to the best of my knowledge.

I should tell the member while I have the floor, if I may, Mr. Speaker, that I believe the minister is going to be meeting Mr. Gorr, the president of Cooper Tire, next week in Findlay, Ohio. If there is any possible salvage, and I do not want to hold out any false hope, then we will pursue this to the bitter end.



That is the best information I have at the moment, and maybe the minister can share more information with you.

**Mr. Allen:** I thank the Premier for his information and also for the indication that the action has not ceased on the Firestone front. We certainly hope that the minister's discussions with the Cooper firm are productive. We ourselves are not under any illusions as to the problems entailed in that, but we do wish him well in that undertaking.

Yesterday, in response to our request again for substantial legislation requiring justification of plant closure, the Premier said it would not have made any difference in this case. That, of course, is a speculative judgement and he may be right or he may be wrong. That, however, was not the central point. None of us considers closure legislation as a panacea to prevent all future plant closures. That in a sense sidestepped our question.

I note, for example, that the Premier himself has demanded such legislation in the past, and I will just quote him from the Kitchener-Waterloo Record of April 12, 1985: "If there had been a Liberal government at Queen's Park, the management of Burns Meats in Kitchener would have been forced to justify the move before closing the plant last October and putting 637 people out of work."

When will the Premier live up to his word, given on that day and on other occasions, and provide this province with a thorough and rational system of activity in this province around plant closure situations, so that we may assist both managements and workers in dealing with those situations, early in the game?

**Hon. Mr. Peterson:** My colleague the Minister of Labour (Mr. Sorbara) has brought forward proposals with respect to protection of the workers in these circumstances as to when the clock ticks. The question is, would a panel or a series of arbitrators assist in this situation? Would it prevent plant closures or would it just prevent people from investing in this province?

We decided, as a government, to take a proactive, constructive approach in this matter, as I think we have done throughout in the Cooper and Firestone situation. I am just deeply sad that it did not yield the results we were hoping for.

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What we are doing is assisting companies in a wide variety of ways through the industrial restructuring commissioner to make sure they are internationally competitive and to help them, not only by making available government programs

but also by assisting with the problems they will have in an ever-changing world. We think our approach is the most constructive approach to keeping these plants viable in every circumstance that is possible.

**Mr. Allen:** Just as yesterday, the Premier has referred again to his industrial restructuring commission. One would have to say it is rather late in the day, after the long train of plant closures we have had, not just under his regime but in the previous years—but better, of course, late than never.

I guess the problem we have with that at this point in time is that we are quite unsure as to whether this is a more effective instrument the Premier has designed than appears to have been the case with the federal government and its appointment of Mr. de Grandpré that the Premier announced yesterday.

For example, I have been concerned that when our city approached his government with regard to assistance in setting up a community industrial training centre not long ago, help was not forthcoming; he did not recommend that. When I approached the Minister of Industry, Trade and Technology (Mr. Kwinter) a couple of weeks ago about the Lapp Insulators situation, he was interested and helpful but at the same time said the ministry did not have the capacity for initiative in those situations to examine plants and see what their capabilities were, and there has not as yet been any response to our concern for additional moneys for the unemployed help centre.

Can the Premier assure us that the new restructuring commission that he has set up will have the resources and the power to act early in potential plant closure situations and to work closely with managements and labour as they search for alternative futures for their plants?

**Hon. Mr. Peterson:** The Firestone situation, and others, are disturbing to this government and to all honourable members here. I think it has to be put in context. My honourable friend will be aware that some 135,000 new jobs were created in the province last year and that our unemployment rate is currently at about 5.8 per cent, the lowest in the country and the lowest in some substantial period of time. So there is change going on in the marketplace, and again regardless of whether a trade agreement comes along.

I think our challenge is to make sure—as well as the overall numbers being good—that we do everything we possibly can in our competitive infrastructure to assist those companies. Obviously, that is involvement in a wide range of



things that governments can do: job training, Ontario's training strategy, a variety of programs that we think are making a difference; and my friend has seen substantial increases in the amount of commitment to that, as well as the increases in education and assistance to industry to restructure. We think that our new industrial restructuring commissioner will have a positive and constructive role to play in this regard.

Let me just give my honourable friend an example, the pulp and paper industry. We tabled in this House not too long ago the Woodbridge, Reed report that pointed to some structural problems in the pulp and paper business. We know that those problems exist and that our job is to work with those industries over the next period of time to make sure that the viability of our fibre industries, pulp and paper, continues in northern Ontario. Everyone recognizes that requires capital investment, it requires the co-operation of all parties involved, and I think my friend will see, hopefully, as we approach these things in a co-operative way with labour, with management and with the private sector, that we can make progress together.

#### BUSINESS PROPERTY TAX ASSESSMENT

**Mr. Reville:** My question is to the Minister of Revenue, it says here.

Interjections.

**Hon. Mr. Nixon:** Too much research.

**Mr. Reville:** It is the holidays. What is the matter with those guys?

I understand that the minister has been doing some kind of consultation with the Association of Municipalities of Ontario in respect of changes to the Assessment Act and in particular with respect to changes in the level of business tax payable by distillers. That has a kind of connection with the season, probably.

I understand the proposal is that the business tax payable will be reduced from 140 per cent of the property tax to 75 per cent of the property tax. This would have a very serious impact on the revenues of many municipalities within whose boundaries lie distilleries. I am wondering why the minister wants to play Santa Claus with municipalities' money.

**Hon. Mr. Grandmaître:** Discussions about this proposal, and it is a proposal at this time, have been going on for a number of years, and the member knows this very well. We have discussed this with the Association of Municipalities of Ontario. Also, some three years ago, a standing committee supported this proposal; all

three parties supported this proposal. At the present, it is a proposal and cabinet will be made aware of the full proposal, and ongoing discussions with AMO and such organizations will continue.

**Mr. Reville:** The member for Renfrew North (Mr. Conway) would say this is passing strange, but I will not. The chair of the large urban section of the Association of Municipalities of Ontario, in which section will be the municipalities hardest hit, claims that the kind of consensus the minister claims to have achieved is not in fact the case. If I can give the minister some examples, I understand Etobicoke would face a revenue loss of almost \$800,000 a year; that would be enough money to hire 20 city planners, I expect. The city of Toronto is going to be less hard hit, only about \$200,000 lost. Does the Minister of Revenue have plans to reimburse the municipalities for the losses sustained by his unilateral juggling of the business tax rates?

**Hon. Mr. Grandmaître:** As I said, this is a proposal and there is no consensus. The member is absolutely right that AMO is now considering the proposal; so there is no consensus. Also, if this proposal goes through, he can rest assured that the ministries of Municipal Affairs and Revenue and this government will back the 13 affected municipalities, as we have always done in the past. We protect our municipalities and we intend to protect them in the future.

**Mr. Speaker:** Final supplementary, the member for Windsor-Riverside.

**Mr. D. S. Cooke:** He left me no supplementary; that is the problem. However, there are three municipalities down my way that represent about half of the \$3.8 million that would be lost in revenue; Windsor would lose about \$800,000, the township of Maidstone nearly \$700,000 and Amherstburg nearly \$300,000. Can the minister guarantee that there will be full financial compensation? In addition to that, would he guarantee something the former Minister of Revenue did not guarantee when the government eliminated property tax on amusement parks, that there will be annual adjustments to make sure that in the long run there will be no loss of revenue to the municipalities as a result of this change?

**Hon. Mr. Grandmaître:** As I said previously, 13 municipalities would be affected by this proposal. What we have done is recommend that for 1987, 1988 and 1989 they will receive full compensation. The member knows very well that there exists an REG grant, that is a resource



equalization grant, which every municipality receives every year. We intend, after the three years, after 1989, to revamp or to amend the REG system, and these municipalities will not be asked to compensate for the loss of assessment.

As I said before, I think the Ministry of Municipal Affairs and my ministry are very much aware of the consequences of losing assessments, especially in small municipalities such as the member mentioned, but we intend to make good for these 13 municipalities with resource equalization grants.

1400

#### TORONTO AREA TRANSPORTATION

**Mr. Brandt:** In the absence of the Minister of Transportation (Mr. Fulton), I have a question of the Premier. The Premier is no doubt aware that yesterday on the Don Valley Parkway there was a traffic tie-up that lasted some six or more hours as a result of an accident that occurred.

I think the Premier is also aware that even on a uneventful day when those kinds of unexpected occurrences do not happen, that parkway system is highly congested. I think he is also aware that there are tremendous costs associated with the traffic delays, the time that the commuters spend on the parkway system and the general costs associated with that.

I wonder if the Premier will share with the House what his government is doing to relieve some of the very serious and critical traffic problems in Metropolitan Toronto.

**Hon. Mr. Peterson:** I thank the honourable member for bringing this question to my attention. I am sorry the minister is not here—he is ill—but I will do the best I can to answer.

As the honourable member says, I was not aware specifically of that tie-up yesterday. I am sorry my honourable friend got caught in it, but I am not surprised. We are mindful of the problems with respect to transportation in the greater Metropolitan Toronto area, and that is why a very high level group is looking at all of these questions with all of these options.

There has been a substantial commitment to Highway 407, which we think will draw some of the pressure off Highway 401 at the top end of the city. I can say that there has been a very high level of co-ordination looking at all modes of transportation, the rail lines, light rail and the trains as well as the road system.

I do not have a specific suggestion. If my friend is advocating that we double-lane the Don Valley Parkway or proceed with Spadina, I am interested in his ideas in that regard, but at the

moment we are looking at the overall problem on a co-ordinated basis, and I think he will see some progress made.

**Mr. Brandt:** The studies, the reviews and the time that all those will take are quite interesting. I would like to add, in response to part of the answer the Premier gave to my question, that almost singlehandedly it was the member for Markham (Mr. Cousens) who pushed the construction of Highway 407. It was the member for Markham who was responsible for that.

However, the 407 construction, as needed and as critical as it is, is not going to resolve the problem that is occurring in the inner parts of Metropolitan Toronto. All parties in this House unanimously passed a resolution supporting the extension of the Sheppard subway, as the Premier is well aware. The member for Oriole (Mrs. Caplan) has spoken out on this point, as well as other members of the Premier's party who were elected to this Legislature on September 10. They have indicated that they are totally, completely and unalterably in favour of the extension of that subway system.

In the light of all the studies that have been done and in the light of the fact that the transportation corridors in Metropolitan Toronto, particularly along the Yonge Street corridor, are now at absolute capacity, when does the Premier intend to get on with construction of the Sheppard subway?

**Hon. Mr. Peterson:** I appreciate the honourable member bringing that matter to my attention.

**Mr. Brandt:** I knew it was the first time the Premier had heard it.

**Hon. Mr. Peterson:** No, it is not the first time. We have heard it several times from the mayor of North York and, I gather, the member's predecessor in office took a strong position on this question as well. Look where it got him.

I do not want to make light of it. It is a serious proposal. A number of my colleagues, the member for Oriole, the member for Scarborough West (Mr. R. F. Johnston) and a variety of others, have brought this Scarborough issue forth. A whole variety of them have brought this to my attention.

As I recall, and I am going off the top of my head, the total price cost was in the range of \$1.5 billion. That is a question we are looking at very seriously, obviously, in the context of all the transportation priorities in the greater Metropolitan area.

My honourable friend started off with the Don Valley Parkway and he moved next to the

subway, the Sheppard line. He is taking credit for Highway 407. At the same time, his colleague is always standing up and saying we are spending too much money around here. I would want the benefit—

**Mr. Brandt:** In the wrong places.

**Hon. Mr. Peterson:** If my honourable friend can tell him to assist us in that regard as to where \$1.5 billion is lying around, I would appreciate very much his advice. It is very hard to take credit on the one hand for spending all that money and on the other hand to blame us for spending too much. I say that to my honourable colleague, but I do value his advice. I value the consistent advice he puts forward from his party. I will take it into account and give it the weight it deserves when a decision is made.

**Mr. Brandt:** Let me say to the Premier, by way of reflection on his comments about where the support for the Sheppard subway extension got my predecessor, that his lack of support for the Sheppard subway extension will also get him somewhere in the not-too-distant future. Let me tell him that.

In this very happy, festive holiday season, will the Premier give us a specific, direct, understandable and simple response to a question I hope will be very easy for him to respond back on, and that is simply this: Does he consider the Sheppard extension a high priority with his government? Is he prepared to commit it within a reasonable time frame to the construction of that absolutely vital, needed addition to the transportation system of Metropolitan Toronto?

**Hon. Mr. Peterson:** He asked two questions. The simple answer to his first question is yes. The answer to his second question is no, I am not in a position to commit today.

#### FIRESTONE CANADA INC.

**Mr. Jackson:** My question is to the Premier with respect to the announced Firestone plant closure. I listened with interest to the exchange between the Premier and the member for Hamilton East (Mr. Mackenzie). With respect, I think the Premier has missed the mark. What the people in Hamilton are concerned with is not so much why the plant is closing but rather how the over 1,000 workers are going to cope with the fact that their severance slips are currently being made out and will be received on or about January 15.

The Premier can table all the documents that were requested by the member in this House, but that is not going to put food on the tables of over 1,000 families in the Hamilton area in the new

year. These workers need jobs. They need access to retraining. They need specific programs and directions from his government. What is the Premier doing in a specific way in response to the Firestone situation now that he knows the plant closure will be a fait accompli, that severance slips are being made out and that workers will be laid off in 15 or 16 days?

**Mr. Speaker:** Order. The question has been asked.

**Hon. Mr. Peterson:** As my honourable friend will be aware, we have been working conscientiously with the union and with a variety of others in this particular regard. We were hopeful the situation could be salvaged and the minister continues to work on the situation.

We have a variety of programs to assist in that regard. I can assure my honourable friend that the Labour people are there working with the union and the displaced workers—if in fact that happens—to assist them as generously as we possibly can. We have a wide variety of programs here that we think will be constructive. I can say to my honourable friend that the association with the union and the workers has been a close one and I think my honourable friend need not despair in that regard.

**Mr. Jackson:** There is room for a lot of concern. If the Premier were to suggest perhaps that his Transitions program is in some way working, we have determined that there are only about 12 Firestone workers who have made application under his Transitions program. That is less than one per cent of the workforce involved here.

The federal government has had a progressive and active parallel program, working with the union while conducting negotiations, but there is no similar program and effort from this provincial government to meet the training and retraining needs of those workers. His restructuring commissioner will not resolve the problem in this situation with Firestone. He is like a coroner who is going to give a prescription for a corpse. The plant is closing. His mandate is not to help plants after they have closed.

1410

**Mr. Speaker:** The question is?

**Mr. Jackson:** My question has to do with the fact that in Hamilton there is an older worker help centre run by John Buttrum. They are faced with a \$75,000 cap. That is all the money they get from the government. They could be faced with an influx of 400 to 500 workers. Will the Premier increase the caps for the older worker help



centres almost immediately, specifically the one in Hamilton, which will be looking after these workers?

**Mr. Speaker:** Order. The question has been asked.

**Hon. Mr. Peterson:** I have a list of things here—and I can read it to my honourable friend—that have been going on in the last little while. Obviously, this government does not stand by and let this happen without a positive and active response. There are a variety of programs, and those moneys will be channelled in as sensitive and productive a way as possible, if that is determined to be the appropriate approach in dealing with these people. Good Lord, a lot of them have already participated in counselling through Mohawk College. We are working closely with them.

Do not get the impression that these people have been abandoned, by any stretch of the imagination, because that is not the case. Transitions is there for some who may want to take advantage of it, and there are a lot of other things as well. I say to my friend that the various ministers are on top of the situation and working closely with those displaced workers.

**Mr. Jackson:** By his own statement, the Premier said he thinks the programs are working. The statements from his own ministry would indicate that the programs are not working as effectively as they should be. If he says he is being proactive, I would remind the Premier that he sat idly by and watched the 50 Plus older workers help centre that services Burlington and Oakville collapse less than three weeks ago.

I am asking the Premier again: Will he increase the funding to programs like the older worker help centre in Hamilton, which needs more than the \$75,000 cap which he has placed on that program so that it can specifically meet the needs of Firestone workers, approximately 1,000 of them, who will be unceremoniously dumped on to the streets in 15 days?

**Mr. Speaker:** The question has been asked again.

**Hon. Mr. Peterson:** My honourable friend thinks he has the solution to the problem in his simple suggestion, and we are not at all persuaded that that is the solution to the problem.

If he would like me to read the long list of things that we have been doing, I would be happy to do that, but it might embarrass my friend to realize that we are way ahead of him in this particular regard. The ministers and the bureaucrats have been there working closely with them.

I can assure the member that if his suggestion is determined to have merit, obviously we will pursue it, but there are so many other things going on that we think are yielding more results. I say to my friend that we are working closely with the association and the workers who have been displaced, and they have a different view of the government's involvement than probably he does.

## SOCIAL ASSISTANCE

**Miss Martel:** I have a question for the Minister of Community and Social Services. The minister will be aware that his ministry and my office have been involved in a long, drawn-out battle over the case of Miss Gwen Laurence, who suffers from a disorder known as 20th-century disease, or environmental hypersensitivity. She is on a disability pension and has been in isolation for about the past four and a half years. Because of the disorder, she also is required to maintain a special diet, and the foods cannot be bought locally. They must be bought in Toronto and shipped north. So her food bills are running at about \$288 to \$300 a month. The minister should keep that in mind, because she is also on a disability pension, which does not give her a lot of money left over.

We have for months been writing to the ministry to request a food allowance for her, and for months we did not receive a response. However, recently we did receive a response that stated two things. First, the ministry was going to review this particular situation for people having the same type of disorder; second, if she were to get a third-party assessment, the ministry would look a little more favourably at her request.

**Mr. Speaker:** Question?

**Miss Martel:** Does she or does she not require a third-party assessment before the ministry will consider the situation and grant her a food allowance?

**Hon. Mr. Sweeney:** The answer to the final question is yes. Given the fact that the 20th-century disease, which the member refers to, is one that not a lot of people know very much about, the ministry feels it is valid and necessary that it get advice from people who know more about it, quite frankly, than it does.

We have offered the member's constituent the opportunity to travel to Toronto, where there is a testing lab that could confirm what her own doctor says and what she feels herself. She has indicated to us that it would be difficult to do that because of her condition.



Our latest correspondence with the member's constituent is that we are now trying to arrange to have the testing equipment taken to Sudbury, taken to her home, where her needs can be confirmed. We believe that arrangement will take place fairly soon. If it backs up what her own doctor says, then she will qualify for the allowance.

**Miss Martel:** I thank the minister for his comments. I am a little concerned. There is no doubt that she does not want to travel to Toronto to do this. She has been in isolation for four and a half years. Only recently—in fact, in the last three months—has she been able even to go outside and walk around the block in my home town, which is a small town where she does not have that type of problem. It would almost kill her to come to Toronto, so I certainly hope the ministry can do something about having the testing occur in my home town.

I am concerned, though, and I have to ask the minister, why it is that the recommendations and diets of the family physician who has been treating her for this long cannot be accepted and we require a third-party assessment?

In this case, the minister might be willing to have the testing take place there. What about the hundreds of other people out there who are in the same boat and who do not have that privilege? I am asking what he is doing for them as well.

**Hon. Mr. Sweeney:** The difficulty, as I described a couple of minutes ago, is that there is a tremendous divergence of opinion, even within the medical profession itself, as to whether or not a person has the condition the honourable member describes. On a number of occasions when we got third-party testing there was not, quite frankly, sufficient evidence. In some cases there was no evidence at all that the particular condition existed.

As a matter of fact, we have a number of people in the province right now who do get support from our ministry because the condition has been confirmed, and we are quite prepared to do that. On the other hand, there are situations where there has been rather severe criticism of the action the ministry has taken because of the dubious nature of the confirmation, so we are making every effort to provide third-party testing.

In the particular situation that has been described, we recognize the difficulty of the constituent travelling. We are making arrangements at the present time to have the testing equipment and the testers go to her, and if that is necessary in other parts of the province we will

have to make those arrangements as well. But the ministry surely has a responsibility to confirm that the need described by one member of the medical profession can in fact be validated by another. I think that is only being responsible.

#### RETAIL STORE HOURS

**Mr. Pope:** I have a question for the Solicitor General, and it is with regard to the ongoing government muddling and confusion with respect to Sunday openings.

The minister yesterday indicated to the House that only a loophole permitted smaller stores to open legally last Sunday and that there is no reason to worry because the situation would not repeat itself for another seven years. My question to the minister is, what would happen if, for instance, July 2 fell on a Sunday? How would the act apply in that kind of circumstance?

**Hon. Mrs. Smith:** I had trouble hearing the very beginning of that question, so all I can really get out of this is, what would happen if July 2 was a Sunday? That is what I heard.

Under the present laws that we have in this particular province, Sunday is not allowed to be a shopping day, and under the present laws, the stores would not open, unless perchance they were 5,000 square feet or less and had been closed on Saturday or were in some way exempted by any of our many tourist exemptions. We have a list of exemptions, as the member knows.

**Mr. Pope:** What we are talking about is the statement the Solicitor General made yesterday to the effect that this situation would not occur for another seven years. The plain fact of the matter is that on July 2, 1989, we are going to have exactly the same situation that we had on December 27 past. Therefore, it is not a loophole, as she said, that occurs only once every seven years; it is a loophole that is now forthcoming in 1989, and our question is, what is she going to do about it? The Premier (Mr. Peterson) said he believed in a day of common pause. Why is she letting this continue? What is she going to do about it?

**Hon. Mrs. Smith:** The member puts very clearly the difficulties that exist in the present law, which, as he knows, has been on the books for quite some time. This very problem is why we have decided to look to the municipal option so that indeed people can resolve it on a local level in keeping with their own choices for their own community, and we hope to be able to bring that about as quickly as possible.



1420

## TRANSIT SERVICES

**Mr. Faubert:** My question was to be to the Minister of Transportation (Mr. Fulton), but, as he is ill today, I will redirect it to the Premier. I thank the leader of the third party for his lead-in to the question.

Numerous press reports have quoted Toronto Transit Commission officials as saying that the Sheppard subway line, which is the first rapid transit priority of Metro Toronto, has been shelved by provincial transportation planners. While recognizing the various transportation alternatives competing at this time for approval, the Premier must be aware that both North York and Scarborough look to this line to service the continued growth of their city centres and to serve as a northern rapid transit route in Metropolitan Toronto. My question to the Premier is, can the Premier advise or inform the Legislature if the Sheppard subway line has been delayed or has been derailed?

**Hon. Mr. Peterson:** Let me compliment the member for Scarborough-Ellesmere on the very thoughtful way he phrased that question. The honourable member, as a new member of the House, will notice that there are ways to ask questions in the House, and the thoughtful, incisive way he has put it elicits, I think, a very direct response, uncontaminated by partisan rhetoric. It is a thoughtful, insightful question that will provide a model, I believe, to the members opposite as they would want to elicit information from this government.

What was that question again? I was just kidding, Mr. Speaker.

The answer is that it has not been derailed. No final decisions have been made. I am very mindful of the member's interest in this question and how he has pursued it with some stealth over a long period of time, and I compliment him for that. The government is looking at a wide range of possibilities, but I say that no final decisions have been made. It is under active consideration.

**Mr. Jackson:** Ask him what his bottom line is.

**Mr. Faubert:** I know what the bottom line is. I know where it is, too.

As the line has been recommended, after extensive study and debate by Metropolitan council, as the first priority, can the Premier assure that it continues as a first priority for subway construction in Metropolitan Toronto?

**Hon. Mr. Peterson:** I can give the honourable member that assurance, but again, I cannot give

him a specific date on if and when construction will begin or how it relates to the other things. But it is all under active study at the moment, and we accept that it is the first priority of the Metropolitan area in terms of subway transportation.

## NURSES' LABOUR DISPUTE

**Mr. D. S. Cooke:** I have a question for the Minister of Health. The minister will be aware that the nurses in the Metro Windsor-Essex County Health Unit have now been on strike for nearly a month. She will also realize that this is the second time they have been on strike, both the last set of negotiations and this set of negotiations, and that there are mandatory programs under the Health Protection and Promotion Act that must be carried out by the public health units. What is the minister doing, since it is obvious that her ministry is a party to negotiations in terms of funding, to solve this dispute?

**Hon. Mrs. Caplan:** First let me correct the member on one misconception, and that is that we are a party to the dispute. In fact, the Ministry of Health is not a party to the dispute. This is a local labour matter and I fully expect that the local representatives will resolve this in a mutually acceptable way.

**Mr. D. S. Cooke:** The minister knows that while she is not sitting at the negotiating table, 75 per cent of the funds come from her ministry and, therefore, there can be no solution without the Ministry of Health properly funding the public health units across this province. She will also know there is a strike going on in Sudbury at the same time. When is the minister going to take a look specifically at the Windsor-Essex problem, understanding that we have now had several years of labour-management problems that are severely disrupting necessary services to the people of our community? When is the minister going to intervene and solve this problem so the people of our community get properly served?

**Hon. Mrs. Caplan:** Let me say from my own experience, as someone who has sat on a local board of health, that I think it is important to note that local boards of health are autonomous bodies. Under the Health Protection and Promotion Act they are responsible for salary negotiations with their own employees. It is very important to note this. The ministry does watch and monitor, but we want to ensure that a locally negotiated solution is permitted to happen without interference from members of this Legislature.



## TRADE WITH UNITED STATES

**Mr. Harris:** I have a question for the Minister of Northern Development. The last time I asked the minister about free trade, he had not read the report that was done by his own government. It shocked me that he was not involved in the writing of it, but he had not even read it.

When I asked as well about unorganized parts of the province with a view to Sunday shopping, I was shocked that the cabinet knew nothing about the implications of its decision on northern Ontario.

A number of people in northern Ontario—people in the steel industry, in the mining industry, in the pulp and paper industry—are questioning whether the Minister of Northern Development is representing their interests, whether he in fact is speaking up for the north with his cabinet colleagues.

I would like to ask the minister today if he agrees with the Premier (Mr. Peterson) that free trade with the United States does nothing for northern Ontario.

**L'hon. M. Fontaine:** Je tiens à remercier le député de Nipissing de sa question. Je lui réponds que j'appuie tout ce que le premier ministre dit sur le libre-échange. La raison c'est que ce n'est pas un bon accord pour la province de l'Ontario.

**Une voix:** Le Nord, le Nord.

**L'hon. M. Fontaine:** Quant au Nord de l'Ontario, sur ce sujet, j'ai à dire que j'ai écouté les présentations des différentes personnes—les pâtes et papiers, les moulins à scie—et il n'y en a pas une qui m'ait convaincu que cet accord soit bon pour le Nord de l'Ontario non plus.

**Mr. Harris:** The minister obviously has not been listening to the pulp and paper industry; he has not been listening to the mining industry. He has not been listening to those industries in northern Ontario, and they are getting concerned that he is not representing their interests.

By way of supplementary, the people in the economic development departments of cities all across northern Ontario are also questioning whether in fact they have a minister to speak up for northern Ontario. These economic development departments have been working actively over the last two or three years to attract investment from Pacific Rim companies and from European companies to come and locate in northern Ontario—like Shadwood Industries, which announced it would come to North Bay.

The main attraction for all of them is access to the North American market. Without that access, none of those companies will consider coming to

Ontario, let alone northern Ontario. What is the minister doing to represent their interests with his cabinet colleagues as to what this deal means for northern Ontario?

**Hon. Mr. Fontaine:** First of all, I would like to remind the member for Nipissing that there is no guarantee of access with free trade.

**Mr. Jackson:** You can't see the forest for your own trees.

**Hon. Mr. Fontaine:** Secondly, I talked with Frank Hess yesterday for about half an hour. He did not mention to me what the member is talking about. I met with other people from those councils he is talking about, and they did not say a word to me about this. They are all after me to get more money for development.

**Mr. Jackson:** They have been talking to a brick wall.

**Hon. Mr. Fontaine:** I would like to ask the member for Burlington South (Mr. Jackson) to shut up for a while because I am talking. He is always interfering when I speak.

I would like to remind the member for Nipissing of one thing about free trade. I was in Thunder Bay and the pulp and paper people were talking about access and about what they could do. But it is funny, when they were negotiating their union contract, they were saying they were getting too much competition from the southern United States and the pulp mill there, so they are talking out of both sides of their mouths, too.

**Some hon. members:** Oh?

**Hon. Mr. Fontaine:** That is true. On one side, they say they can compete; and on the other side, when they talk with the union, they say they cannot compete. I think they have free trade already in pulp and paper. They have nothing to worry about.

**Mr. Jackson:** They already have free trade, is that it?

**Hon. Mr. Fontaine:** There is no guarantee that free trade will help the pulp and paper industry and the fine paper industry. The fine paper industry, with that deal, will be in trouble too.

1430

## FRUIT AND VEGETABLE INDUSTRY

**Mr. Owen:** I have a question for the Minister of Agriculture and Food. In the south end of my riding of Simcoe Centre is the town of Bradford. Bradford is surrounded by a rich agricultural area, including the Holland Marsh. The farmers in that area have—



Interjections.

**Mr. Speaker:** Order. Maybe it is rest time.

**Mr. Harris:** On a point of order, Mr. Speaker: You may think it is appropriate or you may not, but the member for Cochrane North (Mr. Fontaine) suggested that one of my colleagues should, I think the quote was, "shut up." I am not sure if that is appropriate or parliamentary.

Interjections.

**Mr. Harris:** Obviously, the members of the Liberal Party think that is appropriate. I am asking you, Mr. Speaker, if you do.

**Mr. Speaker:** Order. I remind all members of standing order 24(b). I am sure you are all aware of what 24(b) states, that no member shall interrupt another member, period. The member for Simcoe Centre.

**Mr. Owen:** In the south end of my riding of Simcoe Centre is located the town of Bradford. There is a rich agricultural area around that town, including part of the Holland Marsh. The farmers in that area have come to me increasingly over the last number of months. They are saying that they are concerned about the ramifications of free trade for them. They point out that, because of geography, their growing season is shorter and that their labour costs and their energy costs are higher than those of their competitors in the United States.

They feel that their area of expertise and production is in jeopardy. They want to know whether the minister has discussed this with the federal Minister of State and what is going to happen to them, if their worst fears are going to reach fruition. What is going to happen after January 2 if this deal is signed?

**Hon. Mr. Riddell:** I fully appreciate the concern that the honourable member has for the fruit and vegetable industry, as I have met with producer representatives as I have with processors since early 1986 on this issue. Indeed, I met for several hours with the producers of the marketing boards and associations in November 1987.

I can say to the honourable member that the fruit and vegetable industry is very concerned about the Canada-US free trade agreement. For many producers there is a real scepticism about the benefits and the so-called safeguards in this agreement. There is a very real worry that, without efficient protection, entire segments of the industry could well be lost to cheaper US imports.

It is my ministry's preliminary estimate that the greatest adverse impact of this free trade

agreement is on the fruit and vegetable industry. The elimination of tariffs, even with widely doubted snapback safeguards, will leave this industry, which is a unique Ontario heritage, vulnerable to United States imports.

I pass that message on to my federal counterpart in Ottawa. I have done—

**Mr. Speaker:** Order.

**Mr. Owen:** In the town of Bradford itself, there are a number of factories which are processing, packaging and looking after the distribution of the vegetables which come off the marsh. The factories employ mainly first-generation Portuguese. There are no other factories which would be able to employ them in the area. They do not have the training and education to go into other areas in the city. They have come to me. They are concerned about their future. If the farm industry itself is going to be hurt, so will their jobs and their potential for employment, so the people of the town of Bradford are asking what is going to happen to them in the event free trade is pursued.

**Hon. Mr. Riddell:** They have every reason to be concerned, as the processing industry is concerned, unless the federal government puts into place the necessary safeguards and unless it is prepared to add to the import control lists the various products that are processed in this country. To this point in time, the federal government has not indicated in any way, shape or form what kind of safeguards it is going to put in place for the producers in the fruit and vegetable industry and for the processors in the industry.

They have every right to be concerned, and that is the reason we have this resolution before the House today, to express our discontent with this free trade agreement. I am surprised that the members opposite who profess to know something about the agriculture and food industry, who I might say know very little when I listen to the conversations that are going on within this very Legislature—

**Mr. Speaker:** Order.

**Mr. Harris:** Oh, shut up.

**Mr. Jackson:** Oh, shut up.

**Mr. Brandt:** Why don't you speak in the House if you know so much? When are we going to hear you talk?

Interjections.

**Mr. Speaker:** Order.

#### SOCIAL ASSISTANCE

**Mr. Allen:** I have a question to the Minister of Community and Social Services on a matter that



we touched on in passing yesterday. The minister will remember that last month Divisional Court in this province ruled that a single mother in Thunder Bay was entitled to family benefits for her son who was under 18 years of age and unemployed and who was at the same time not attending school. The minister will remember the decision rested on the absence of the adjective "dependent" in the particular clause in the regulations and that the result of the decision meant that if the ministry changed this regulation, this single mother would not receive in future the \$100 the court said she was entitled to to feed and clothe her three children.

The minister must realize that such parents are responsible for their support according to the Family Law Act. Will the minister assure this House that his officials will not respond to this judicial decision in a mean-minded and bureaucratic fashion by amending the regulations so as to exclude dependants who cannot find work and who do not go to school?

**Hon. Mr. Sweeney:** The reason for the term "dependent children" is to encourage these young people and their families to have their sons and daughters in school or in a training program of some kind or working. Just as with any other family in Ontario, incentives and encouragements are necessary. I do not in any way want to single out a single-parent family. I have rather grave reservations in deleting the term "dependent child." I think we would thwart the whole purpose of that particular piece of legislation.

As the honourable member is perhaps aware, the legislation itself does include the term "dependent children." The particular case he refers to was brought up because a regulation omitted the term and in fact it should be in the regulations in order to correspond with the legislation. I am quite prepared to review the situation, given the particular case that has been brought to our attention, but again I point out to the member that I think there are good reasons for it being there. Knowing the cycle that can sometimes develop within families, I think it is wise for us to encourage young people from single-parent families, as from all families, to get a good education or training for a job.

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**Mr. Allen:** There is no question that those incentives are necessary and that circumstances should facilitate training, education or productive work as those are possible. What one does find is that there are circumstances in which that does not work out in particular cases. I am happy to hear the minister say he will review that very

carefully and not arbitrarily and quickly move to automatically plug that loophole, because I cannot really believe he would want to wipe out \$100 of income for a family trying to support its children.

**Mr. Speaker:** The question is?

**Mr. Allen:** If I can press him a little bit further on this question, because there are some considerations there too, will the minister admit that these parents are in a no-win situation by being required by law to support their children who are under 18 but not being given the financial means to do so and in fact are penalized for keeping such children, as \$40 is deducted from their—

**Mr. Speaker:** Order.

**Hon. Mr. Sweeney:** I am sorry, I did not hear the latter part of the question so I will respond to the former part. Let there be no misunderstanding. My sense is that the dependent child part should be left in; I think it is important that we say to all families in this province that their sons or daughters under 18, their minor children, should be either in school or in a training program or working, that it is not to anyone's advantage, not to the child of any family in this province, for that child to be unemployed and not in school. That is my personal preference.

At the same time, I recognize that there can be specific, individual circumstances that might militate against what is preferable. In those kinds of situations, the staff of my ministry and our various area offices have some discretion to make some individual and specific decisions. That is there now and it will continue to be there. As far the general principle is concerned, my preference is to have the dependent child factor remain.

#### FEEDING OF DEER

**Mr. Pollock:** I have a question for the Minister of Natural Resources. There are rumours floating around this province that his ministry did not budget any money to feed the deer should it turn out to be a severe winter. Are those rumours correct?

**Hon. Mr. Kerrio:** Perish the thought that we would let the deer go hungry. It is common knowledge among biologists that it is not a good practice to decide that you are going to feed deer at any time; that when you take them out of their natural habitat they do not reproduce and are not as healthy as they are when left to their own resources.

I want to share with the member the fact that if and when there is any kind of threat to the herd



that would require feeding, it will take place. I want to reassure him that that is very important.

Another thing I would like to share with the members, particularly of his party, is that in the past two and a half years or so the deer herd, the moose herd and all our wildlife have been returning as they had not been for 40-odd years. I am very pleased to say that next year Santa will have all the deer he needs to deliver all the presents to the people across the great province of Ontario. I think that is a significant and important thing we do, that we maintain the strength of that herd for that very important purpose.

### MOTION

#### BUSINESS OF THE HOUSE

Hon. Mr. Conway moved that notwithstanding any standing order, tomorrow, Thursday, December 31, 1987, private members' business not be considered and that routine proceedings commence at 10 a.m. and that the House continue to sit through the luncheon recess.

Motion agreed to.

### ORDERS OF THE DAY

#### TRADE WITH UNITED STATES

(continued)

Resuming the adjourned debate on the amendment to government motion 8 on the proposed trade agreement between Canada and the United States.

**Hon. Mr. Riddell:** I am most pleased to have the opportunity to participate in this most important debate on an issue that is of vital importance to the future of not only this province but also this country.

I think it is time that we spoke on a more serious and substantive note than some of the debates I have listened to over the last few days. Some of the debates have been most embarrassing to many of the members of this Legislature. I would hope that as time goes on, and as we continue this debate on this most important resolution that we will have far more thought, consideration and research put behind the comments that the members will be making over the next week or so.

I do speak from facts and figures which have been garnered not only by my own ministry staff but also by representatives of the various sectors of the agriculture and food industry, whom I have met on a continuing basis since early 1986, when this issue first surfaced. So I can say that I am speaking on behalf of the agriculture and food

industry when I make my comments this afternoon.

It is important for me to take a few minutes to set the record straight by correcting some of the erroneous claims being foisted on the public by Prime Minister Brian Mulroney and his cabinet as well as by his supporters on the other side of this Legislature.

The Tories, on the other side of the House, seem to think that we will be able to buy cheaper food because of this free trade deal. Furthermore, they seem to think that would be a good thing. They believe this deal is the best thing since sliced bread. This is typical of the total lack of understanding and sensitivity to the agricultural community shown by the Progressive Conservative Party both here and in Ottawa.

Let me start by saying it is very unlikely that we will see any significant decreases in the price of food to Ontario consumers under this trade agreement. Indeed, last week an economist with the Consumers' Association of Canada indicated that few benefits to consumers would result from this agreement. As the Ontario Minister of Agriculture and Food, I joined our farm groups in putting so much pressure on the federal government and the trade negotiators that they could not dismantle the supply management system, which I might say has worked so well and has brought a good deal of stability to our turkey, chicken, egg and milk industries in Canada.

In today's *Globe and Mail* there is a very positive article on the success and international appeal of Canada's marketing board system, the same system that will be undermined by this agreement.

**Mr. Villeneuve:** And it stays in place. It stays in place, reinforced.

**Hon. Mr. Riddell:** The honourable member says it stays. Let me quote from an article in one of the leading Toronto papers. In his list of what Canada achieved in the free trade deal, Prime Minister Brian Mulroney told Parliament—and I quote—"We wanted to maintain agricultural marketing boards and they have been maintained," but he did not say for how long. If Ottawa's commitment to eliminate the two-price wheat policy suggests anything, it is that the days of agricultural marketing boards are numbered as well.

I would also advise the members across the hall to read the speech that Sylvia Ostry gave not too long ago in which she said, "In this round of GATT, article 11, whether we like it or not, is on the bargaining table." So let us not think that the marketing boards are not under considerable



jeopardy not only with this free trade agreement with the United States but also possibly under the General Agreement on Tariffs and Trade negotiations.

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Supply management, which allows duly elected marketing boards to control price and production, has been a great benefit to both producers and consumers. For producers, it has taken a lot of the ups and downs out of the agricultural business and resulted in a steady and usually reasonable return on investments. For consumers, it has meant a steady supply of quality produce at a reasonable price. It has helped to remove the wild fluctuations in prices that used to occur because of occasional shortages or oversupply situations.

The free trade agreement does affect the supply management system by increasing the amount of chicken, turkey and eggs that may be imported into Canada. It will allow the level of chicken imports from the United States to increase to 7.5 per cent of the domestic market from the current level of 6.3 per cent. For turkeys, the imports will increase to 3.5 per cent from the current level of two per cent. For eggs, imports will increase to 1.6 per cent from 0.67 per cent.

The free trade deal may also have a serious negative impact on certain other areas relating to our supply management system. For example, there is now a tariff on the import of ice cream and yoghurt. This tariff will be removed and it is still unclear whether the federal government will move to protect this important sector of the industry by placing quotas on imports of these two items under the import permit system. This is a request that has been made by the food processors, the dairy industry and the agriculture and food sectoral advisory group on international trade.

There are also concerns about what will happen to companies that make food products such as chicken pot pies. These people could be caught in a bad bind if the federal government does not act to put these products on the import control list. To this point in time, we have not seen any activity on the part of the federal government to add these products to the import control list or to put into place other safeguards that our supply management systems need.

These changes in the supply management system were made despite the fact that the federal Minister of Agriculture promised that supply management was not on the bargaining table during the free trade negotiations. The fact of the

matter is it was on the table, despite what the Prime Minister of this country told us.

From the first day I heard that the federal government was going to negotiate a free trade deal with the United States, I was concerned about the impact that such a deal would have on agriculture. So the first thing I did was set up a series of consultation meetings with Ontario producers and processors. These meetings took place over the almost two years that negotiations were taking place. From these meetings I gathered the concerns of our producers and our processors and ensured that they were known by the federal government and by the trade negotiators.

I met with my federal counterpart and my officials met with officials of the trade negotiator's office on numerous occasions during the negotiations. Our farm and food organizations made numerous representations to the various people involved in the free trade negotiations. Despite all of these efforts, the final free trade agreement falls far short of what one could reasonably expect.

One of the major reasons for entering the free trade negotiations in the first place was to gain security of access to the American market. Like many other sectors of our economy, our farmers know at first hand about the protectionist sentiment that has swept across the United States. Our producers were hit with a countervail against live hogs and a countervail against cut flowers and, yes, actions were started against beef.

We were also hit by various unfair nontariff barriers, so it was reasonable to expect that any free trade deal would include some protection against unfair trade actions against our producers. But the final free trade deal will do absolutely nothing to stop groups in the United States from launching countervail action against our producers in the future. So much for security of access to the United States market.

The agreement would not have stopped the pork countervail or solved the potash dispute. We can also take very little comfort in the vague and general language of the so-called standstill provision, which calls for both sides to exercise discretion and take into account each other's interests in the use of any export subsidy on agricultural goods.

The Americans have already thumbed their noses at the spirit of that provision by offering heavily subsidized farm products to Russia, China and India, products which Canadian grain



farmers are able to sell to these markets, but not at those subsidized prices.

It is interesting to compare the American and Canadian actions in dealing with their respective wheat producers. The Americans ignore the free trade agreement and continue to help their farmers by subsidizing wheat exports to the Soviet Union. On the other hand, the Canadian government recently announced it will end the two-price wheat system in Canada because of the free trade deal.

The two-price wheat system has worked well for Ontario wheat producers. This policy benefits our producers relatively more than it does western producers simply because about one third of Ontario wheat goes to the domestic market. In contrast, less than 10 per cent of western wheat goes to the domestic market. The income loss to Ontario growers represents about 25 per cent of the farm cash receipts for wheat, compared to less than 10 per cent for Canadian growers as a whole. The bottom line is that the elimination of the two-price system will cost farmers in Ontario about \$30 million.

Sitting in this Legislature, it is easy to lose sight of what \$30 million means across the Ontario countryside. I can tell members it means a lot to a lot of wheat producers, who are already being severely squeezed because of the international trade war in agriculture. Furthermore, the elimination of import controls for wheat, barley and oats as soon as support levels in both countries are equivalent raises concerns about whether Canada will be able to maintain its quality grading system.

Some of the Conservatives in the House would say that the dispute settlement mechanism addresses some of the concerns I have been raising. To that I say, utter nonsense. The panel would be empowered to determine only whether these antidumping and countervail rulings are consistent with US law and regulation. The panel would look only at whether the US law has been applied properly. It would not be able to look at whether the US law itself is fair. The panel would merely replace the United States courts as the final forum to enforce the same US trade laws that have been used against us in the past. So I say, big deal. If this is the strong point of the deal, then it is a very weak deal indeed.

I do not like being the one to stand here and present these grim scenarios, but this is exactly the type of development the Ontario government has been warning could happen and has been vocally opposing. I was a member of the cabinet subcommittee which held hearings across this

province on the preliminary free trade agreement. As a committee member, I heard from grape growers, vegetable growers, wheat producers, chicken producers, processors and many others.

As a minister, I have heard from organizations such as the Ontario Federation of Agriculture, the Christian Farmers Federation of Ontario and the National Farmers Union. These organizations are the major general groups in Ontario and all three have made their opposition to the free trade deal known loud and clear. At its annual meeting in November, the Ontario Federation of Agriculture passed a resolution in opposition to the free trade agreement; and in its annual brief to cabinet earlier this month, the OFA again outlined numerous concerns about the free trade deal.

#### 1500

One of the major concerns was the dispute settlement mechanism. Let me quote: "The very best the binational panel can do is rule on whether or not each side has applied its own rules fairly. It cannot question the rules themselves. Given that United States trade remedy law is seriously flawed, the binational panel cannot significantly reduce the cost or the risk of doing business south of the border."

The OFA was also concerned about the fact that the US had extensively used commodity giveaways to the USSR, China and India in order to capture our market and in defiance of the spirit of the free trade agreement. Other groups have been equally concerned.

I note with interest in press reports that Bill Stewart—all of us know Bill Stewart, former Minister of Agriculture and Food in this great institution—is quite concerned about the future of the Canadian chicken processing industry. He is afraid the chicken processing industry could be bombarded with US products such as chicken pot pies and TV dinners. Mr. Stewart is also concerned about the loss of tariff protection on items such as ice cream and yoghurt. I alluded to these earlier.

None, however, have been more concerned than Brian Nash, the chairman of the Ontario Grape Growers' Marketing Board. I would like to take this opportunity to pay tribute to Mr. Nash for the type of leadership he has been providing during these very difficult days for Ontario grape growers. He has taken a realistic and reasonable attitude, especially since the federal government callously used his industry as a bargaining chip.

Then, to add insult to injury, the federal government agreed to an implementation sched-



ule that was totally impractical. The agreement would give the wine and grape industry no time whatsoever to adjust to the drastic changes that would be brought about by the free trade agreement.

The agreement calls for an elimination of the differential in the markup between Canadian and American wine over seven years. However, 50 per cent of that reduction will take place in the first 366 days of the agreement. Other sectors of the economy get a much longer time frame to adjust to the changes.

It is interesting to contrast the federal government's shabby treatment of the wine industry with the treatment the Ontario government has proposed for the wine industry as a result of the recent GATT ruling. An expert panel of GATT ruled in favour of the European Community complaint that liquor board practices are discriminatory.

Our first response was to consult with the wine and grape industry before putting our proposal forward jointly with these two groups. That contrasts with Ottawa's total disregard for the concern of this sector of the economy which is so important to the Niagara Peninsula and other areas of the province.

Our proposal, which we would like the federal government to put forward to the European Community, calls for a 12-year phase-out of the discriminatory markup. This is a much more reasonable position as it gives the industry an opportunity to adjust to the new market conditions.

Other growers in Niagara may also be affected by the free trade agreement, particularly the fruit growers. Together with vegetable growers, our fruit growers are perhaps the hardest hit of all agricultural groups, not only in the Niagara region but also in other regions of Ontario where we have a very substantial fruit and vegetable industry.

The elimination of tariffs, combined with the dismantling of the provincial wine pricing system, may place many growers in an extremely precarious position. Both Canada and the United States provide tariff protection for fresh and processed fruits and vegetables. However, on balance, the elimination of tariffs on these commodities provides more benefits to the United States industry than it does to the Canadian industry.

It is likely that the very large United States trade surplus in fruits and vegetables with Canada and Ontario will increase. The climatic conditions which allow production through most

of the year would continue to give the United States growers a decided advantage over Canadian growers, who are at the northern fringe of production areas.

This longer-term threat to the Canadian fruit and vegetable industry is recognized in the agreement, as there is provision for the reintroduction of tariffs on fresh fruits and vegetables under certain conditions during a 20-year period. However, there are two triggers before a tariff can be reintroduced: there can have been no increase in acreage and prices must be depressed for five consecutive days before the snapback provision can come into effect. Here again are the two conditions. There can have been no increase in acreage and prices must be depressed for five consecutive days before the snapback provision can come into effect.

Our industry tells us that the provision is almost useless as it now stands. First, it will not come into effect if we increase production to beat any type of growth in demand, even in our own domestic market. Second, it takes five days of depressed prices for it to come into effect. Our growers tell us that anything more than 48 hours is disastrous.

An analysis by my ministry indicates that over a three-year period, tariffs on 20 fruits and vegetables would have been triggered only nine times under the terms of the free trade agreement. So that means that in a vast majority of the cases where our growers are complaining of low prices, this snapback provision would be absolutely useless.

The elimination of tariffs is expected to result in a broad price decline of close to 10 per cent for Ontario's growers of fruits and vegetables. An across-the-board decline is expected as growers move away from such crops as peaches, strawberries, grapes and tomatoes; and processors of fruits and vegetables are in a similar predicament to that of the growers.

The shorter harvesting season in Canada results in plants having higher fixed costs per unit. The loss of tariff protection is likely to speed up the rationalization which is already occurring as a result of the declining demand for canned goods.

The adjustment pressures faced by fruit and vegetable growers also raises the issue of whether Canada can maintain more stringent health and safety standards that raise the costs for Canadian growers, but may not protect Ontario consumers from imported products. Fruit and vegetable growers have long complained that they do not have the same access to fungicides



and pesticides as United States growers which, in turn, reduces the cost of imported goods.

The agreement has a general commitment to the harmonization of technical regulations and standards. The impact of this harmonization on our growers remains to be seen.

I think members can see that this is not a good deal for our fruit and vegetable growers and is not a good deal for our wheat producers and is not a good deal for chicken, egg, turkey and milk producers either.

How the member for Stormont, Dundas and Glengarry (Mr. Villeneuve) can stand in this House—I expect he will be participating in this debate—

**Mr. Villeneuve:** Sure will.

**Hon. Mr. Riddell:** If he can stand in this House and support this agreement, then he has been talking to a different group of farmers in eastern Ontario than I have been talking to over the past two years.

It will be very interesting to hear what the honourable member has to say, as it will be interesting to hear what the other Agriculture and Food critic—and I have never been able to figure out yet which one is the true Agriculture and Food critic—but it will be very interesting to see what the member for Simcoe East (Mr. McLean) has to say, being that he is a dairy producer, and being that he represents what used to be, and being that he represents supply-managed commodity groups in his riding. I will be listening very carefully to what those people will be saying about this agreement, because I am going to tell them, if they support it, they are selling sectors of our industry right down the drain.

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Against the losses I have already raised, you have to stack up the gains that our beef and pork producers could receive because of the agreement to exempt each other from the quantitative restrictions under each country's meat import law. This provision will go some way towards securing the United States market for Canadian beef and veal producers.

When you stack up these small gains against the larger losses in both agriculture and other areas—and I do not have time to get into the many other areas apart from food and agriculture, many of which were presented to our subcommittee; I wish I did have time but I do not, I am sticking strictly to agriculture—I think you can see why this Minister of Agriculture and Food is opposed to the free trade deal, as is this government.

Put simply, this is a bad deal for Ontario and it is a bad deal for Canada.

**Mr. Runciman:** I am pleased to participate in this debate. I was quite taken aback by the minister's presuming to speak on behalf of the agriculture and food industries in this province. I know I represent an essentially rural riding, and I am certainly not getting the kind of feedback that he is indicating to this House he is receiving. I will get into that in some detail later on.

My seatmate, the member for Stormont, Dundas and Glengarry, our critic for Agriculture and Food, who I would believe quite strongly will be a future Minister of Agriculture and Food in about four years from now—there is no question about it—will be elaborating on this in more detail in the very near future.

**Hon. Mr. Elston:** What is he going to do, move away?

**Mr. Villeneuve:** I will be following Harry.

**Mr. South:** You'll never make it from that side, you'd better come over here.

**Mr. Runciman:** I am pleased to see some of the government members starting to participate in this debate.

**Hon. Mr. Elston:** There wasn't an opportunity before you guys got up to speak about nothing.

**Mr. Runciman:** There have been all kinds of opportunities.

It seems every time I get up to speak, the Chairman of Management Board is present. I think he checks the schedule and finds out if I am—

**Hon. Mr. Elston:** I love to listen to you talk.

**Mr. Runciman:** There is no question he likes me, but aside from that, I have to wonder about him spending so much time in here. I thought the chairmanship of Management Board was a very important position in government. It used to be when I was a member of the executive council.

**Mr. Pope:** He has proved it is not.

**Mr. Runciman:** He has proved it is not, obviously, as the member for Cochrane South (Mr. Pope) has reinforced. It was a very significant factor in past governments, and chairmen certainly did not have the time to sit in this House and heckle members of the opposition. This seems to be the prime function of this minister. Perhaps we will start to take note of the number of times he is here without any books, without signing letters, simply sitting here heckling members of the opposition. It certainly raises some serious questions as to who is running this place.

I want to compliment the members of my party who have spoken before me. I have not been able to hear all the contributions, but certainly my leader and the member for Cochrane South and my good friend the member for Markham (Mr. Cousens) made some very worthwhile contributions to this debate, and very significant contributions.

On occasion the tone of the debate has been less than helpful. I think that is reflective of the fact that this is not only a debate about free trade but it is also a debate about process and the way the government has handled this whole matter.

Specifically, I think, though other members have laid the blame squarely on the shoulders of the government House leader, I want to distribute that blame somewhat. I do not think it is solely his responsibility. He is in a learning mode, there is no question about it.

**Mr. Villeneuve:** He has a lot to learn.

**Mr. Runciman:** Yes, as my colleague points out, he has a great deal to learn. I think he has learned by this process. I think he is going to be a somewhat more humble individual in the future. I know that is difficult to accept, but we are optimistic. I suspect the bulk of the responsibility for this decision lies with the Premier (Mr. Peterson). The House leader had made an agreement with the other House leaders in respect of how this was going to be dealt with. He had this bomb laid upon him and he had to deliver it, and did so. As a result we have had to go through this prolonged debate.

There have been some complaints about sitting in the House during this period. I personally have no problem with it. In the past, I have always worked during this break. I am not critical of people who take a vacation with their family. I fully understand that and I think some of the media criticism of the Leader of the Opposition (Mr. B. Rae) has been totally unjustified. In many instances, this is perhaps one of the few times members can spend time with their families. I personally find the time in my riding, working in my constituency, to be at home in the evenings, like most of the members of the press gallery are at home every evening with their families. Most of us do not have that opportunity.

I work the so-called vacation period, but I do find bothersome the resentment we felt from staff people in this building in terms of having to work during this period of time. That does bother me because if you look out into the real world, most people out there in industry, business and what have you have to work during this week. They have to go to work and I see nothing wrong with

our having to do it, whether it is here or in our constituencies. Whether this is a necessary and appropriate time for us to be here and whether this is being productive, I know not, but I think it has sent a clear message out to the government and out to the people of this province that we do have an opposition in this House, and an effective one indeed.

When I sat on that side of the House, I was always somewhat in awe of the members of the New Democratic Party who could speak at great length on issues of the day. They did not usually make much in terms of a point, but they could speak at great length. Our members have proved that they can be equal to the challenge and I believe they have been able to make a few substantive points.

**Mr. D. R. Cooke:** Name one.

**Mr. Runciman:** Name one.

It is no doubt a quality, if we want to use that word, a talent that has to be developed in opposition, especially when you are as few in number as we are.

We talk about the government position, getting into the legislation and the resolution and the position on free trade of this government. Some have indicated and taken the position that really the Premier has had to take this position because he looked at going into an election at the end of July, with the free trade question hanging over our heads, as an excellent opportunity to scare the electorate of this province. An opportunist; there was no text, no final agreement. It was, "Let's get in there and scare the bejabers out of the electorate in this province and perhaps we can win a majority."

I am going to be a little bit more generous than that. I think that certainly was a factor, but I think it goes much beyond that. I think I have mentioned this on a number of occasions. You have to look at the key players in this government and at their philosophy, their ideology and where they are coming from in terms of how they feel government should function in this province and across this country.

I have said the key players in this government are quasi-socialists at best. I think they were for the most part—

**Mr. Pope:** Especially the Minister of Agriculture and Food (Mr. Riddell)

**Mr. Runciman:** Yes.

**Hon. Mr. Riddell:** That I can't be accused of.

**Mr. Runciman:** I think the key players were, for the most part, quite comfortable with the alliance. Obviously, the NDP in its wisdom or



lack of same was quite comfortable in forming an alliance with the Liberals, because they are also very familiar with the fact that the Attorney General (Mr. Scott) was a former fund-raiser for their party. He became a Liberal standard-bearer simply because he felt that was the only way he would have an opportunity of becoming a member of the government and sitting in the post of Attorney General.

**Mr. South:** When was the last time the Conservatives had an alliance with the NDP, Bob?

**Mr. Runciman:** I cannot remember that one.

**Mr. Harris:** I don't know. Larry, when was it?

**Mr. Villeneuve:** Is this a point of order?

**Mr. Runciman:** Is this a point of order?

**The Acting Speaker (Miss Roberts):** Order. Please continue.

1520

**Mr. Runciman:** I guess it is a point of inconsequence.

In any event, I think that if we take a look at the new players in this government, or in fact look at the Minister of Correctional Services (Mr. Ramsay) who crossed the floor, a former member of the New Democratic Party. Within a couple of months he is welcomed with open arms into the cabinet. One has to look at members who worked long and hard for that party who are Liberal in the traditional Liberal sense, like the member for London North (Mr. Van Horne), a long-time supporter of the Premier, one of the first people off the base to support that gentleman when he ran for the leadership of this party.

What happens to him? One of the most capable individuals in that executive council? Initially, he does not even get a portfolio. He becomes a minister without.

**Mr. Fleet:** On a point of order, Madam Speaker: I am wondering if you might consider whether it is applicable now to observe that in standing order 19(d) 2, there is an obligation of the honourable member speaking not to direct his speech to matters other than the question under discussion.

The first approximate five or six minutes of this commentary by the member for Leeds-Grenville (Mr. Runciman) had nothing to do with the motion. In fact, he is going off on tangents and then on tangents on the tangents. He is not saying anything of any import to anybody, not even to members of his caucus.

It is typical of the lack of useful commentary or even critical commentary that they might be able

to provide. The mere delaying of time that they undertake by doing this sort of thing does not in fact assist anybody in this province. It does not assist with even the arguments they would like to put forward. I would like to request of you, Madam Speaker, a ruling in that respect.

**Mr. Harris:** On the same point of order, Madam Speaker: Yesterday I pointed out to you—I believe you were in the chair at the time—that we have the utmost respect for your judgement. We have found that you have brought speakers to the point at the correct moment when it was appropriate. I am surprised by the continual attack on you by members in fact of your own party questioning your judgement. I think you correctly listened to the comments that were being made by my colleague. You realize the relevancy of the tie-in—particularly the socialist tie-in—that he is making as the reason for this resolution.

I would suggest through you, Madam Speaker, to the member for High Park-Swansea (Mr. Fleet) that he refrain from making silly, stupid comments that make him look so bad across this province.

**The Acting Speaker:** I would like to thank both members for their comments with respect to the point of order. I am sure that the member for Leeds-Grenville is leading up to a point that will deal directly with the resolution, and I would ask him to continue.

**Mr. Runciman:** I would point out to you at the outset of my comments in reference to this, that I was talking about the government's position in respect of free trade.

**The Acting Speaker:** I did not say you were doing anything incorrect. I am asking you to continue.

**Mr. Runciman:** I am trying to reinforce my view as to why the government has taken its current position in respect to the free trade agreement. I talked about the fact that we have a number of people, especially the key players in that government, who are very much to the left—and certainly to the left of their party—and I think would feel very comfortable within the ranks of the official opposition and worked hand in glove with them during the alliance period and felt very comfortable indeed during that brief, but unfortunate, period in our history.

**Mr. Harris:** Unfortunately for us.

**Mr. Runciman:** Yes, unfortunate for us, there is no question about it.

**Mr. Breagh:** That is the part we like.

**Mr. Runciman:** I do not think the member for Oshawa (Mr. Breagh) should be gloating to any great extent, considering the fate of his party, which is actually the result of the—

**Mr. Breagh:** No, we won.

**Mr. Runciman:** He has now adopted the position of his leader.

**Mr. Breagh:** I have been straightened out.

**Mr. Runciman:** OK. The member for Oshawa now says he has been straightened out. Whatever means are available within their caucus to get him in line, they have been exercised, and obviously have had an impact on him. Perhaps next year we can see him back as chairman of caucus. We will look forward to that because we know he would do an outstanding job. This will be on Hansard as well, and we will send a copy to his leader in Florida.

I wanted to make a brief comment about this before I got off this point. I was saying that some of the new players in this government as well are very much people whose politics you would call into question. A chap who is usually here but is not here today to talk about a variety of meaningless things is the former mayor of Brantford, the member for Brantford (Mr. Neumann), who we know was a very prominent member of the New Democratic Party.

**Mr. Breagh:** He is too far left for us.

**Mr. Runciman:** Yes, too far left for the NDP, and that is really saying something. But obviously he, like the Attorney General, has decided that if he wants to play a role in government, he has to belong to the party closest to him in philosophy, and that obviously is the Liberal Party. I will talk about some of the unelected people as well. The views of Gordon Ashworth, who we know as a follower of former Prime Minister Trudeau, who trained at the knee of Mr. Trudeau, obviously would be somewhat to the left of the mainstream of the Liberal Party as well, I would think.

I am not held in high esteem by Rosemary Speirs, who is the Queen's Park columnist for the unofficial government organ, the *Toronto Star*, but I think Ms. Speirs is a very capable and effective columnist. She wears her politics on her sleeve; that is her own problem, but I think she does hit the nail on the head on a number of occasions.

**Mr. J. B. Nixon:** A lot like yourself.

**Mr. Runciman:** I am elected; it is appropriate for me to wear it on my sleeve.

In an article in the *Toronto Star* on December 16, she said: "From the beginning, Peterson has talked about his determination not to allow

Mulroney to sell out 'the soul of this country.' He is the defender of the left-liberal view of Canada, on the same side as Manitoba's Howard Pawley,"—exactly—"union leaders like the auto workers' Robert White, and many of the old federal Liberals who used to surround Pierre Trudeau. They are believers in government intervention in the economy to set social goals."

I think Ms. Speirs is dead on with that. If we take a look at some of the members in this establishment, I think the member for Durham East (Mr. Cureatz) was talking yesterday about the inability of the government caucus to have any input into the position. He made reference to the inference that our decision was made prior to the final text; but that is totally inaccurate. The Liberals' decision was made before the final text was released; our decision was not. We indicated when we made a public statement on this some months ago that we were supporting the agreement in principle but were going to withhold our full concurrence and support until we had had an opportunity to look at the final text of the agreement. That is exactly what we did, unlike their party, which, for political reasons and for ideological reasons really, has indicated from the outset that it is opposed to the changes because they may impact on its ability to intervene in the economy.

We are talking about the Attorney General's speech to the Canadian Bar Association, and this is what Ms. Speirs draws on for her article. She said:

"When Scott says that...the free trade deal represents an intrusion on provincial powers of 'significant magnitude,' he is thinking of reforms that left-minded governments might want to introduce in future.

"The free trade agreement, he said, will likely restrict the power of provinces to require upgrading or processing of a natural resource...prevent future consumer protection...will force governments to compensate private companies before they can set up public insurance schemes in auto insurance."

1530

That to me was a very revealing comment. The Attorney General indicated he had some concerns that the free trade agreement may present some difficulties for this government or future governments with respect to setting up a public auto insurance scheme.

Again, as I have said from the outset in dealing with the auto insurance proposals and the pressure being applied by the official opposition, this government is indeed slowly but surely



moving in the direction of state-controlled auto insurance. Obviously, that agreement is something the Attorney General has expressed concern about in terms of the government's ability to move in that direction, if indeed the free trade agreement is signed and goes into effect. For once, Ms. Speirs definitely hits the nail on the head.

We talk about the Premier and his own personal views. I think some people, especially in the business community, have felt that we are dealing with someone who has a business background and is not antibusiness. We have suggested for two and a half years that the leader of the Liberal Party is indeed antibusiness and does not agree with the business community with respect to free trade.

One has to take a look at the background of the Premier and not just the pap that emanates from the public relations staff in his office. We have been told about this guy coming up and being the president of his firm, being a great success as a business person. Most of us can become presidents of the firm if daddy owns it. Let us face it: Daddy Peterson owned that firm. We are talking about a guy who in essence is quite comparable to the current Leader of the Opposition. He has been described as a silk-stocking socialist. I think that very clearly applies to the Premier. It probably applies to the former mayor of Brantford as well.

In any event, these are people who have had very privileged upbringings and have lived in comfort. They have never really had to dirty their hands. They have never had to get out and work with the real people in this world. We are talking about a Premier whose father was a signatory to the Regina Manifesto. We have to know where this guy is coming from, and slowly but surely the business community of the province is going to understand where this gentleman is coming from. He is not business-oriented. He is interventionist-in-the-business-community-oriented. He is indeed a quasi socialist, and it is quite understandable, looking at the gentleman's background.

I am glad to see the Minister of Industry, Trade and Technology (Mr. Kwinter) present. I am not going to say he is a socialist, because I know he is not. He is one of the few small-c conservatives in that executive council, and he is slowly but surely gaining some significance there. I am glad to see him in that portfolio, to be quite honest with members.

But one of the things that he does alarms me, and I want to put this on the record. My leader

may not be pleased with my saying it, but it is the announcement he made the other day. I am not sure how much input he had, personally, in this decision. It was the appointment of an industrial restructuring commissioner—I think that was the appropriate title—the fellow who is supposed to look after restructuring in the event of the free trade agreement going through, the losers in the agreement if there are any, businesses such as Firestone closing down and so on. The appointment was a gentleman by the name of Malcolm Rowan.

Malcolm Rowan is a survivor; let us say that. But I personally have some concern about where Mr. Rowan is coming from. I hark back to Suncor.

**Mr. Breaugh:** Who did that?

**Mr. Runciman:** I am being asked who did that. I think we all know who did that.

**Mr. Breaugh:** Name names.

**Mr. Runciman:** One of the things I take great personal pride in is that I personally did not support that.

Interjections.

**The Acting Speaker:** Order.

**Mr. Breaugh:** I have seen some closet opposition in my time, but this is—

**Mr. Runciman:** There was no closet opposition. I was very open on it and was shoved into a corner for four years because of my open opposition to that purchase. My colleagues who were here can verify that. My friend has a short memory—he has a convenient memory; let us put it that way.

**An hon. member:** Selective.

**Mr. Runciman:** Yes, a very selective memory.

**An hon. member:** But you have been able to sleep at night.

**Mr. Runciman:** That is right, especially given the financial results of that acquisition.

In any event, one of the key players in that whole exercise was one Malcolm Rowan. We talk about the interventionist thrust or the philosophy of the key players in this government. I am not sure the minister had a great deal of say in that decision. Perhaps it was the Premier's decision—and I can appreciate that—or perhaps it was the Attorney General or even the House leader.

**Mr. Pope:** And this poor guy has to carry the can.

**Mr. Runciman:** Yes, that is right. The current minister is going to carry the can on this, because

this guy is coming from the far left of the spectrum.

In terms of the interventionist proposals the minister is going to have in front of him, he should be very cautious indeed. I would suggest that if he has the time, he call a former esteemed member of this House, one James Taylor, who often recalled how he was mugged in the corridors of power by one gentleman whom I will not name. I suggest that he have a conversation with him. He is a former Minister of Energy and had some difficulties with his deputy of the day. I think the minister is in for some problems in that respect, but I suggest he is going to be overruled in any event by the leader of his party.

I want to talk about some of the people who are also supporting the free trade agreement. We have talked about the thrust of the government, the key players and the background of the Premier and the kind of individual he is. I think the Premier's real character came out for all to see in response to a question I posed a couple of weeks ago about the increased imports of Chilean wine. We saw how the Premier dealt with that question in a very shameful, tawdry fashion, which was unbecoming of this House.

Also supporting this free trade agreement, and not surprisingly at all, is the Toronto Star.

**Mr. Pope:** Opposing the deal.

**Mr. Runciman:** Opposing the deal; pardon me. Also opposing the deal is the Toronto Star. On a number of occasions, I have talked about the Toronto Star. I have been advised by some of my colleagues that politically it is not wise to chastise the media or any aspect or element of the media. In the past, I have not been one to worry about that sort of thing. I like to say what is on my mind and really what is coming from my heart in respect to some of these things.

When I talk about the Toronto Star, I do so with some experience in journalism. I am not someone who has had no experience, sitting on the sidelines. In my early working life, I worked as a reporter for both the Brockville Recorder and Times and the now-defunct Ottawa Journal. I grew up in a newspaper environment. My dad was the managing editor and vice-president, ultimately, of the Brockville Recorder and Times. He had 45 years in the business. Until recently, I owned a weekly newspaper in eastern Ontario. So I have some background in print media.

I try to look as objectively as possible at all of the print media, but the Toronto Star has perturbed me over the past number of years, and

not simply because they do not support our party. That is not the reason.

**Mr. Neumann:** They do not tell the truth?

**Mr. Runciman:** They do not tell the truth at all in most instances, I am afraid. They distort the truth. They are a black mark on print journalism in this province, in my view.

I want to indicate a column that was written by Douglas Fisher.

**Mr. Faubert:** Douglas Fisher?

**Mr. Runciman:** Yes. I hope I have it here.

On October 14, 1987, in the Toronto Sun, Douglas Fisher, writing about Beland Honderich, who is the owner of the Star, said his views are "rooted in anti-Americanism or go-it-alone nationalism; in a belief in the full welfare state, and in Toronto's ethnicities as model for multiculturalism...."

"One man, served fearfully by many, directs the Toronto Star along its deliberate and almost always passionate purposes.... It's always the instrument for Honderich's prejudices and biases...."

"Honderich may block freer trade with the US. He's the central blocking force, not John Turner or Ed Broadbent...or the pathetic CLC or Mel Hurtig and his 'pro-Canadians.'..."

"This man has enormous power for good and evil...."

"The Star is the biggest, wealthiest daily we have. Its influence and its consequences have been staggering for national politics and policies. Honderich, the top man at the paper since 1956, is an ideological zealot.... a rabid nationalist, and politically a social democrat with an authoritarian streak." Now, here is the key part: "He sets the themes and policies his paper plays, not just on the editorial page but through the paper."

**1540**

It is one thing for private citizen Honderich to hold prejudices and biases and quite another for publisher Honderich to propagate them not only in editorials but in every department of Canada's biggest newspaper.

**Mr. Breagh:** How does he do it in the sports page?

**Mr. Pope:** The Canadian Football League.

**Mr. Breagh:** Ah.

**Mr. Runciman:** That is right. John Robertson, the CFL.

I concur completely with the former member of the New Democratic Party, Douglas Fisher, in respect of his observations. I have seen the way this paper has distorted things over the years. We



can just hark back to the 1985 provincial election, where the Star continuously—not inaccurately but continuously—portrayed the Premier of the province at that time as a former used car salesman. It did not mention that he was a chemical engineer; it did not mention that he was a teacher. Every story about Frank Miller said, “former used car salesman Frank Miller.” That was a decision made at the highest levels, and the reporters throughout that paper followed the dictates of Mr. Honderich.

They have done it on free trade. Recently on Sunday Morning, a CBC program, John Honderich, who is the editorial page editor of the Toronto Star, was asked by the moderator of the show: “Do you distort your headlines? Do you distort your article positioning and articles to reflect your editorial biases?” Honderich said, “Yes, we do; there is no question about it.”

To me, that was not a surprising revelation, because I have observed it over the years with the Star. I guess the source was surprising, the fact that the son of the owner—I guess that is who he is; I am not sure—would publicly blurt that out, and I think he did blurt it out. I think it is an occasion when the Star has been so biased in respect of free trade and this particular issue we are dealing with that the Ontario Press Council should be taking a look at this situation.

The Ontario Press Council was created a number of years ago in response to the federal Kent royal commission, which took a look at the newspaper ownership across the country. This response was to try to police the industry to make sure they were objective in their approaches; and they are not doing their job, they are simply not doing their job. Mr. Honderich is a great man for intervention. I wonder how he would feel about government intervention in the print media. I do not think he would be too darn pleased about it.

I think the Ontario Press Council has got to look at what is happening with respect to the Toronto Star especially. I do not say that all other media are blameless. I think the Premier had a point when he raised concerns about a Globe and Mail headline on a story about the government’s report, the report of the Treasurer (Mr. R. F. Nixon) on free trade. It happens in other media; but not consistently, not with the same kind of venom, if you will, that the Toronto Star directs towards its causes.

I will give the Star credit for something. It does have a couple of columnists who have enough intestinal fortitude to take a position that is somewhat different from that of the publishers; and they are Carol Goar, its Ottawa columnist,

and Jack McArthur, the financial page columnist, who on occasion do take positions that are somewhat different.

Rosemary Speirs? Of course, as I said, we know where Rosemary is coming from. My friend the member for Oshawa was saying the other day that we should have colour commentaries for these broadcasts and he suggested Rosemary Speirs might be a good colour commentator. My colleagues and I had a good colour for Rosemary. It would probably be a bright pink. In any event, she is consistent. We know where she is coming from and she obviously has no conflicts with the owners of the paper.

Another individual who has been one of the foremost spokespersons on free trade for the Toronto Star is David Crane, a former employee of Pierre Trudeau, and as I have described him in the past, a Liberal flunkey. He is simply there doing whatever Mr. Honderich wishes him to do and whatever the Liberal Party of Canada or the Liberal Party of Ontario wishes him to do.

**Hon. Mr. Conway:** This speech reminds me of the Leeds by-election in the late 1940s. The Atkinson Charitable Foundation of the Star and Les Frost. This speech makes me think of those days. Remember that? God, the Toronto Star got a working over at Leeds then. It is getting another one now.

**Mr. Runciman:** Our historian in the crowd.

We take a look at some of the other supporters of this position—they are diminishing and we are seeing public support growing for this agreement. We are seeing support growing for the federal government as well. One of the other supporters of the Ontario Liberal Party’s position and the federal party’s position is one Frank Stronach. I do not know Mr. Stronach personally. I have been asked about his party affiliation. There has been some speculation in the media that he is going to run for the Liberals either federally or provincially, so I guess his party ties are well known.

In any event—I do not know whether it was good fortune or misfortune—I was listening to one of the Toronto radio stations coming to Queen’s Park last week in my car. I think it was CFRB. They were doing a call-in show talking about free trade with Mr. Stronach as their guest. I was amazed at this gentleman and his lack of knowledge of what this agreement is all about and at his approach with respect to the whole agreement and the auto parts manufacturing element.



Here is a guy who has made millions. We have to compliment him. I respect people who started at low levels and worked their way up and have become very successful, and Stronach has done that; there is no question about it. But he has been a beneficiary of the auto pact. He denied that on the radio.

He talked about how this free trade agreement is going to result in many manufacturers moving to the United States or constructing facilities there. Someone, a caller, pointed out, "Mr. Stronach, you just made a decision a month or so ago not to go ahead with a plant"—I think it was in Oshawa—"and instead you are going to build it in Texas." He hummed and hawed about that for a while, but the point is that this man has benefited enormously from free trade already with respect to the industry within which he operates, and here is saying: "I'm all right, Jack. I'm OK. Pull up the rope."

It is the same sort of attitude we hear from Bob White and all those people in Oshawa. It is staggering to the mind. You talk about foreign investment and about free trade through the auto pact. Look what it has done to Oshawa. Look what it has done to or for the Canadian Auto Workers. Look what it has done for people like Frank Stronach.

We talk about foreign investment. One of the members here is always talking about that. In my community, if it were not for foreign investment, we would be in pretty sad shape indeed. We have some significant players in the local economy, Black and Decker—

**Mr. Neumann:** Watch the branch plants close after this deal.

**Mr. Runciman:** Watch the branch plants close? Procter and Gamble, which is a major operation in my riding, has advised us it is going to close its plant in New Jersey and move its operation—I think it is Tide or Bounce, one of these products—to the Brockville operation because it is much more productive. It is closing a plant in the United States and moving all its production capabilities from that plant into the Brockville plant. What does that say?

Now you look at Warner-Lambert, Parke-Davis, pharmaceutical manufacturers. They are booming and they are looking at expansion plans as well. I could go on. Phillips Cables.

1550

I want to reflect later on when I get into some of the local issues in respect to this, but my point is that the people who have taken a look at this agreement and are opposing it, for the most part, have not even looked at the final text.

I was pleasantly surprised when I read something in the Ottawa Citizen, on December 22, by Keith Spicer. I think he is the managing editor now; Keith Spicer, our former languages commissioner.

**Hon. Mr. Conway:** Publisher.

**Mr. Runciman:** He is the publisher?

**Hon. Mr. Conway:** No, no, sorry. You are right, he is the managing editor.

**Mr. Runciman:** OK, he is the managing editor. But Spicer goes on at great length, and the bottom line is that the Citizen is coming out in support of the free trade agreement. This is a paper—and the member for Ottawa South (Mr. McGuinty) can confirm this—that has traditionally supported his party, and certainly supported his party in the last election. But they are putting politics aside and are taking an objective look at this agreement and the text that goes with this agreement and they are saying, "Yes, it is good for Canada."

There are some deficiencies; there is no question about it. In any negotiation you are going to win some, you are going to lose some; and, by and large, Canada has come out a net winner in this agreement.

We talked about the opponents, and I think Spicer has really hit the nail on the head when he is talking about the knee-jerk anti-American and anti-free enterprise reaction. Of course, we expect that from the New Democratic Party. We expected more from the Liberals, those occasional continentalists whose leader, John Turner, we could well imagine signing precisely this deal had he stayed as Prime Minister.

They talk about what strikes even a sympathetic reader, and he was talking about this book that has been put out called *If You Love This Country*. Spicer says:

"It is a pity these worthy people wrote their usually impassioned Philippics against the free trade deal even before it was completed. Maybe some could have risen above their free trade in fear and paranoia. What strikes even a sympathetic reader of their pieces is how little they trust and respect the judgement of ordinary Canadians, how little they believe in the deep, stubborn attachment of all of us to all the ways we are who we are. Those ways are the real culture of Canada, not just the novels, paintings and music of the self-appointed vanguard, subsidized by the Canada Council, the CBC, the National Film Board and the Secretary of State. Many of these writers are estimable people. They are intelligent, honest, sincere, public spirited, but broadly speaking, they have not done their homework."



They have not read the deal and most never will."

I think that is dead on about most of the critics of this agreement, most of the people who sit in here and catcall and have been told by the leader of their party the way they are going to vote.

"There lurks in the minds of many of these professional patriots, apart from some specific partisan biases, a veritable Disneyland of neuroses about Canada: fear over hope, protectionism over risk-taking, a preference for the small, safe homeland over the scary grand stage of North America, pessimism over optimism, a love of hiding over seeking, a taste for tribe over individual."

**Mr. Furlong:** Somebody said something about an elephant, too. Are you going to quote that?

**Mr. Villeneuve:** You have no confidence at all.

**Mr. Dietsch:** You're right.

**Hon. Mr. Riddell:** It will be interesting to see what you are saying back home, my friend. I would truly love to go back home and see what you are saying.

**Mr. Runciman:** Is the Minister of Agriculture and Food asking me a question or asking my colleague? I think he is in a conversation with my seatmate.

**Mr. Villeneuve:** Identical. My name is not Ruprecht.

**Mr. Runciman:** "My name is not Ruprecht." That is a very good point that the member for Stormont, Dundas and Glengarry makes, based on the intervention from the Minister of Agriculture and Food. We have been made aware that the member for Parkdale (Mr. Ruprecht) took some positions in the past election which are now being challenged by certain groups within the community.

Getting back to my comments about the agreement and the people opposing it, there is a good quote in here from the editor of the Financial Post, talking about the same people:

"Margaret Atwood is one of Canada's finest poets, novelists and essayists. Jane Fonda and Vanessa Redgrave are splendid actresses. All three have become experts on political economy. Now all we need is for Madonna to start lecturing us on monetary policy." How true.

**Mr. Breough:** She is making more money than you are.

**Mr. Runciman:** That is not hard to do.

**Mr. Breough:** Let's get a girdle and try it on for size.

**Mr. Runciman:** There are certain members of this assembly who might take up that offer.

I want to review some things related to my riding before I get on to some of the matters dealing with the broader issue of its impact on this province and the country.

I have spoken to a number of people in my riding in the agricultural community, which I will discuss, and manufacturing and small business. I wanted to put a couple on record.

Nitrochem, which is a major producer of chemical fertilizers and explosives in my riding, has indicated very clearly to me its support for this agreement. They have taken a very careful look at it. Currently they do not face any tariff barriers on exports of chemical fertilizers to the United States. That is their major market: into the United States. They were advised a number of months ago by the National Agricultural Chemical Association that it had passed a motion at a meeting in Chicago calling on Congress to install tariff barriers with respect to chemical fertilizers coming from Canada into the United States.

So there has been a great deal of concern within Canadian industry, in this instance chemical fertilizer producers, with respect to having those tariff walls suddenly appear in the very near future, which would have an extremely negative impact on the industry in this country, in this province and certainly in my home riding. They very clearly indicated to me that if that happened, Nitrochem would have extreme difficulty in continuing its operations.

Access to those American markets is essential for that company. We are talking about close to 200 jobs. If you have the ripple effect, each job in a manufacturing facility creates two or three other jobs in the service sector in the community and so on. We are talking about the potential of 500 or 600 jobs possibly being lost to my community if those tariff barriers appear in the near future.

Obviously, we can go down through the line of concerns across this province, right across this country, with respect to guaranteed access to those American markets.

Another firm is Bray Rivet and Machine Co., in Gananoque. Gananoque, as I like to say, is the rivet capital of Canada, with three manufacturers of rivets in that community of about 5,000 people. Bray Rivet has grown substantially over the past number of years. I have been advised by the president of Bray Rivet that they have been looking at the strong possibility of establishing a production facility in the United States if no agreement can be reached.

Their concern, of course, is that cloud hanging over their heads at all times that they may be facing tariff barriers applied within a few months, and on very short notice in terms of getting a facility in place and in operating condition in time to respond to any tariff walls that may be erected. They have a very genuine concern that if they are not guaranteed access to those markets, they are going to have to establish a facility in the United States. The impact that would have on the Gananoque operations, I am advised, is about a 50 per cent reduction in their facilities in Gananoque. So again, we have a negative impact on jobs in my riding.

**1600**

The Brockville Recorder and Times recently did a survey. The Recorder and Times is another paper that supported the Liberal Party in the last election and traditionally supports the Liberal Party. Again, I think they were taking an objective look at this, not allowing partisan politics to enter into it, and were asking, "What is good for this province, what is good for this country?"

They did a survey, talking to a host of business people, industry and the agricultural community. Dupont, a major employer in my area, has a word for free trade: opportunity. I want to put on the record, briefly, something from each one of these contributions from businesses in my community.

"You would be hard pressed to find two people who support free trade more than Milt May and Dennis Hamilton. May is the manager at Dupont's Maitland works and Hamilton is the plant personnel director. They are like many businessmen who support the deal. They see it as an opportunity to expand markets and create wealth, rather than a millstone which will turn Canada into the 51st state.

"May is unequivocal on the subject. 'New opportunities depend on access to the United States.' Neither man feels the Maitland plant will shut down if the deal is rejected by Canada, but in an already tough business environment success will be measured in much smaller increments. 'The chances of retaining what we have is better under freer trade.'

"Retaining what Dupont has gained is very important to both men. Both men agree that future prosperity for their company and Canada in general depends on how competitive business is. Free trade is seen as another girder in the bridge leading towards global competition, and they are convinced Canadians can compete.

"We can negotiate with anybody. At Dupont, we have negotiated two new businesses on site in

the last five years and favourable terms for phasing out others. We have quality people. We have to tell our own employees how fast the market changes. One week we will be doing very little. The next week we will be going flat out and the word to switch off might come from Australia. Large contracts shift with a telex or a phone call.'

"They address the emotional argument over Canadian sovereignty by putting it in terms of dollars and cents. 'If we stop being emotional and ask why can't Canada and the United States be richer together: chances are we won't be any poorer; and while Dupont may be a large multinational, the Maitland site is not at the mercy of a predatory American parent. We are a Canadian company with Canadian management. Our decisions are based on our own interests and on global demographics,' May said.

"Free trade is a positive force and complacency among Canadians will leave us all poorer as a result. It is natural for all of us to have a zone of comfort. The problem is, it breeds mediocrity. Extending the comfort zone ignores the global game.'"

That is from Dupont, again another major employer in my riding.

**Hon. Mr. Wrye:** Yes, right; a multinational.

**Mr. Runciman:** Does the Minister of Agriculture and Food or the Minister of Consumer and Commercial Relations (Mr. Wrye) want to say something negative about Dupont? If so, I would be glad to put it on the record for them.

**Hon. Mr. Riddell:** No, we want to hear more about the multinational companies and what they think about free trade.

**Mr. McLean:** I'm going to tell you that.

**Mr. Runciman:** All right. Well, the next is not a multinational company—

**Mr. Villeneuve:** You really haven't read the accord at all, have you?

**Mr. Runciman:** The next is not a multinational, it is a company that started in Brockville with Brockville entrepreneurs, Computer Assembly; they see free trade as part of the big picture:

"Bill Fraser is the first to admit free trade does not really have much impact on his business but he wants it anyway. Fraser is president of Computer Assembly, or CompAs, a high-tech concern in Brockville's industrial park which employs 225 people.

"It means zero to us,' Fraser said, 'because CompAs already has two facilities, one in Canada and one in the United States, so the splitting was done to deal with market realities.



The Canadian operation supplies the Canadian market, and the same for the United States. But the free trade deal will likely increase CompAs's ability to deal with short-term peaks in business. None the less, I feel strongly about free trade,' Fraser hastened to add.

"His reasoning comes largely out of his experience in the computer industry. Given its relatively young age, the computer field has not had the time to build in many of the inefficiencies common to older industry. Competition is fierce and global. The free trade deal will give Canada more opportunities to compete with the rest of the world. It is Korea, Japan, even China, that we are looking out for. The United States is a friendly giant next door who can help out.

"He stressed the need to look at the big picture, to focus on the Canadian-US relationship ignores the whole problem. He guessed that 80 per cent of our components come from offshore. Whether our market share is impacted one or two per cent by free trade, who really cares? 'The deal will not suddenly change the day after it is approved,' Fraser said, 'but it is a long-term proposition. The next generation will benefit dramatically. This is an opportunity to leave a political legacy.

"He also thinks it is a way to help adjust psychologically to the way our competitors manage their business. In North America, the stress is on the next quarterly dividend or profit statement. While these are important, Fraser thinks it is necessary to adjust to long-term objectives. The free trade deal will help people think in that way. A year or 10 years is an afternoon for the Japanese.

"We talked about sovereignty, and Mr. Fraser also comments on that. Like many in favour of free trade, Fraser sees sovereignty as a red herring. It is a Canadian way to stick your head in the sand and go for the status quo. He used other trade agreements as examples of where sovereignty is not important. Did the English become French or the Belgians become German when they joined the European Community? There are nine other free trade arrangements in the world. Sovereignty is a nonissue. It is born of fear and a lack of knowledge.

"As far as Fraser is concerned, however, the emotional argument has a great deal of appeal. There is no question about it. He suspects that the issue is going to be decided on emotion and not facts. I hope he is wrong in that respect."

Since the Minister of Agriculture and Food is here, I will go on to the agricultural element before getting to some other comments from firms in my area. I want to talk about the

president of the Ontario Federation of Agriculture, but I also want to talk about someone who lives within my riding who is the immediate past first vice-president of the Ontario Federation of Agriculture and, I think, a much-respected gentleman in the agricultural community across this province, Doug Avery. I hope the minister knows Mr. Avery. He has written a series of articles recently in a weekly newspaper supporting free trade for the agricultural community.

He also has some concerns, obviously, about some elements of the agreement, but overall he thinks it is good for agriculture in this province and in this country. Although perhaps we all have a responsibility as members of the Ontario Legislature to put Ontario first, I am not sure about that myself. I think in this case we have to take a look at the bigger picture and look at the country first. In respect of that, I think Mr. Avery has done that. I sincerely believe that our party has done that as well.

My colleague was talking about one of the largest egg producers in North America, Burnbrae Farms. I am sure the minister is familiar with it and I am sure he has met the very dynamic president of Burnbrae Farms, Joe Hudson, who is a going concern, to say the least. He has accomplished a great deal for our area, for his industry, and for the community in which he lives, I might point out as well.

In this article from the Brockville paper, Mr. Hudson is quoting the vice-president and general manager, one Bob Anderson: "While the ink is not even dry on a potential free trade deal, one major local industry is happy with what it sees—Burnbrae Farms. The deal looks all right. 'It leaves the marketing board system alone,' said Bob Anderson, vice-president and general manager of Burnbrae Farms.

"The egg and poultry industry is directly referred to in the working agreement between Canada and the United States. According to Anderson, the impact of the bilateral arrangement appears negligible. United States producers will be allowed to ship a larger percentage of their product to Canada. Right now, it is seven tenths of one per cent of total Canadian production. Under the deal it will rise by one per cent. 'It will have a slight impact on us,' he said.

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"Anderson noted that any attempt to harmonize the Canadian and American egg industries would have required the Canadian government to seriously re-evaluate the implications of the marketing board policy. The situation in Canada and the United States is different. In the

Canadian system it is not an economic but a social argument to have marketing boards in order to save the family farm.

"Anderson said that many small egg producers would be wiped out if unfettered free trade came into being. 'It would be tremendously upsetting. We would have to make adjustments very quickly. It would lead to a tremendous consolidation of producers.'

"This speculation is borne out by studies which indicate a major restructuring of the egg business under free trade. But Mr. Anderson says that this agreement is good for egg producers in the country and good for egg producers in the province of Ontario.

"Anderson said that the other plank of the free trade platform, tariff reduction, will have little impact on Canadian producers. Right now, the tariff is 3.5 cents per dozen. 'Tariffs are of no real consequence as long as border controls remain,' he said. With the deal in its current form, however, open competition is unlikely. Instead, egg producers will continue to deal with a large bureaucracy in the CEMA as well as the provincial and federal governments.

"Burnbrae is happy with the free trade deal." That very clearly contradicts what the minister was saying earlier this afternoon.

**Hon. Mr. Riddell:** You are basing your decision on one producer. I could tell you a few things about that producer but I won't.

**Mr. Runciman:** Obviously, the minister has what he believes to be some negative things to say about the Burnbrae farm operation and the key players. I would certainly like to hear those views expressed in the House and on the record. We are talking about a firm that has grown from a very small operation in a number of years, has prospered and has become one of North America's largest producers.

The minister is implying in the House that there are some negative aspects to this operation. I think that is what I understood and I wonder if my colleagues shared that feeling as well. It may indeed be incumbent upon the minister to clarify his position with respect to this firm. He is suggesting that we cannot accept the word of Burnbrae Farms. Whatever they say is coloured by something; we know not what, because he is leaving us in the dark with his interventions, which do not have any substance apparently other than as an attempt to denigrate the owners of this fine firm.

**Hon. Mr. Riddell:** You can't base your decision on one producer. Talk to other produc-

ers. Talk to the Egg Producers' Marketing Board.

**Mr. Runciman:** We did.

**Hon. Mr. Riddell:** Oh yes, you did. I'd like to believe you.

**Mr. Speaker:** Order.

**Mr. Runciman:** Since the minister is here as well, I am going to divert from my schedule a wee bit to put forward some other comments. I know my colleague the critic is going to deal extensively with agriculture, but since the minister is here and made his comments today, I think it is appropriate to put some other comments on the record today dealing with the agricultural community.

This is Charles Gracey of the Canadian Cattlemen's Association:

"Agriculture cannot complain at all. The supply management sector didn't want a deal. They weren't touched. Poultry quotas are no greater than actual shipments. It's important for us to have a free trade arrangement. I hope agriculture is mature enough to realize that. This is a great day for Canada. This is what we've been asking for all along."

Here is Gil Barrows, also from the Canadian Cattlemen's Association: "We have nothing but praise for the new trading agreement. These are things we've been working toward for a long time. The agreement frees up the flow of beef and maintains the free flow of cattle in the North American marketplace."

**Hon. Mr. Riddell:** The beef producers have had very few restrictions up to now.

**Mr. Speaker:** Order.

**Mr. Runciman:** Let us hear from the Canadian Pork Council: "Our initial reaction is that overall the agreement is positive. There was a lot of concern that we might not have as easy access to the United States, which would have required massive adjustments in the industry."

Here is one from Jim Wardenberg, president of the Dairy Farmers of Canada: "The dairy farmers organization supports the proposed free trade deal because it guarantees the Canadian government the right to include any dairy products on an import control list."

There is the Dairy Farmers of Canada. We have talked about the cattlemen; we have talked about the pork producers; and we have talked about dairy farmers. Now we are going to talk about the Canadian Broiler Hatching Egg Producers' Association. It is from Ron Drohomerski, who is the chairman. I will quote Mr. Drohomerski.



"We would like to applaud the Canadian government for the manner in which the agreement has dealt with supply-managed commodities. The Canadian government has, from the beginning, maintained that producers in Canada would be able to choose the manner in which they market their products. Supply-managed programs, supported by import controls in accordance with GATT rules, remain intact. For that we congratulate the Canadian government and the efforts of the Honourable John Wise. Should tariff removal start having a negative impact on the industry, remedial measures still exist. This is very important if we are to have continued strong investment in the Canadian chicken industry and the resulting employment and other benefits to the economy."

**Hon. Mr. Riddell:** You are very carefully avoiding talking about the Ontario boards. You want to talk about the Canadian ones. What about the Ontario boards?

**Mr. Speaker:** Order.

**Mr. Runciman:** The minister keeps coming along with interventions here. He had the gall to indicate at the outset in his comments that he was speaking on behalf of the agriculture and food industry in this province. He is totally off base.

Here is one from the Canadian Horticultural Council. Dan Dempster is the executive vice-president. "We accept that there is recognition of the sensitive market conditions on both sides of the border. We are also somewhat relieved, and in fact pleased with many aspects of the deal. The government will have to look at adjustment systems for grape and wine industries, and we hope the government recognizes the need to work with that industry. But on balance we support this agreement." That is the Canadian Horticultural Council.

I also have support here from Don Moore, manager of the Ontario Greenhouse Vegetable Producers' Marketing Board, who is indicating his support and saying that if the dollar remains favourable we can capitalize on this United States market because of this deal.

We also have some positive comments from the general manager of the Prince Edward Island Potato Marketing Board. I think we are covering virtually all the bases here. Here are a couple more.

Bill Duke, president of the Western Canadian Wheat Growers Association: "I think Canada now has a better chance of retaining current access and getting further access. It is better than no agreement at all. A dispute settling mechanism that involves both countries is likely to be

fair and it is especially encouraging that the two countries have agreed to jointly work out trade rules."

Paul Sim, who is a senior policy analyst with an organization called the Canadian Wheat Growers: "It removes the big club that is being held over our head as far as US protectionism is concerned. The deal provides greater access of Canadian hogs and cattle to the US market and, as such, should guarantee continued viability of western Canada's livestock industry. Since the livestock industry is western Canada's single largest consumer of grain, the ongoing viability of the livestock sector will help to maintain feed grain markets for western Canada."

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**Mr. McLean:** That's right. We didn't hear that in the minister's speech.

**Mr. Runciman:** No, we did not hear any of those comments from the minister. Really, he did not draw on that many sources for support for the position his government has taken. He just came out with a statement, "Well, I am speaking on behalf of the industry."

**Hon. Mr. Riddell:** The Ontario Federation of Agriculture, the Christian Farmers Federation of Ontario, The National Farmers' Union—you don't know what you're talking about; sit down.

**Mr. Runciman:** We have often said he is slowly but surely looking like the former member for Lambton, if he stands up there and his hands are going like this. He is getting that way gradually. Slowly but surely he is turning into that familiar figure.

**Hon. Mr. Riddell:** That familiar figure happened to be one of you.

**Mr. Runciman:** I was not necessarily being critical.

**Hon. Mr. Riddell:** Why don't you admit it? Be totally honest in what you are saying. Don't be half honest, be totally honest, admit that he was one of you.

**Mr. Runciman:** He was one of us, but the minister was one of his severest critics in this House, as we all recall, sitting over here getting into a violent rage at least once a week at the former member for Lambton.

**Hon. Mr. Riddell:** But it brought results.

**Mr. McLean:** The member for Lambton did more for agriculture in three years than the minister is ever going to do.

**Mr. Runciman:** I have been advised by people who should know that the former member for Lambton, as the minister, did more in his

three years in the ministry than this minister can ever hope to accomplish in whatever period of time he serves in that portfolio. We have been advised that he may not be serving in that portfolio for too much longer.

**Mr. Villeneuve:** A 50 per cent reduction in market values, a 33 per cent reduction in grain values—does he like that?

**Hon. Mr. Riddell:** Are you trying to say the government is responsible for the price of commodities?

**Mr. Speaker:** Order. I am listening very carefully and I hear more than one member speaking at one time. That is not in order.

**Mr. Runciman:** We appreciate the minister's paranoia with respect to the member for Lincoln (Mr. Pelissero). He has always got to be looking over his shoulder now. We have some degree of sympathy for him. We will do what we can to help him out in the days ahead.

**Hon. Mr. Riddell:** I will stand on my record. I don't have to look over my shoulder. Just go out and ask the farmers what the record of this government is.

**Mr. Runciman:** I would have to wear earplugs.

As my final reference in terms of my riding, I want to put into the record some comments. We have talked of concerns about one of the sectors of the Ontario economy, the Canadian economy; we grant that concern has been expressed about the textile industry.

**Mr. Dietsch:** You sure told us a lot about grapes.

**Mr. Runciman:** I can sit down, Mr. Speaker, while these conversations carry on, if you wish.

**Mr. Speaker:** I remind the member for Cochrane North (Mr. Fontaine) that he is not in his own seat. The member for Leeds-Grenville will continue.

**Mr. Runciman:** Thank you, Mr. Speaker. I appreciate the opportunity to sit down for a minute and loosen my belt. I have only been sipping on that water, but I am already feeling the pressure. I have even more respect for the New Democratic Party and their long-windedness and their bladder capacity.

I have just been handed something by a colleague which he feels should be put on the record because some comments have been made about the wine industry and, I guess, the grape growers. I know from my own party's critic that at least one Ontario winery, Hillebrand Estates Winery, has come out very strongly in support of

the agreement. They have indicated quite clearly that they feel no reservations whatsoever about their ability to compete with American producers.

**Hon. Mr. Riddell:** Here again you are only naming one company.

**Mr. Runciman:** I have quotes here that have been handed to me.

Walter Schmoranz, the manager of Pelee Island Winery, says that free trade will not destroy his business because it is based on quality. He has a lot of confidence in the quality of Pelee Island Winery products.

**Mr. Dietsch:** Ask Inniskillin; ask Chateau des Charmes.

**Mr. Runciman:** Chateau des Charmes? I was just asked to quote Chateau des Charmes. That is very appropriate. Paul Bosc, Chateau des Charmes Wines, Niagara-on-the Lake, said his upmarket wines, such as Chardonnay and Riesling, will not be hurt by California imports.

Interjections.

**Mr. Villeneuve:** You are backing up, I notice. You are in reverse.

**Mr. Runciman:** The member is trying to qualify. He asked me for quotes. They say I am only mentioning one. Now I have mentioned three and they are still nitpicking. Obviously they are standing on weak ground indeed. There is even support in the wine industry for this agreement, despite what the government is trying to indicate to us is the case.

I want to put on the record briefly a few points about the opposition position on this. I am thinking primarily of the federal opposition to it and talking about the Leader of the Opposition, a former Prime Minister, the Right Honourable John Turner.

**Mr. Wrye:** The next Prime Minister.

**Mr. Runciman:** That is wishful thinking. I mentioned earlier that the Minister of Consumer and Commercial Relations indicates he feels Mr. Turner will be the next Prime Minister. I just have to take a look at the impact the free trade agreement is having on the polls. The more people learn about this the more they like it. In Toronto, a recent survey done shows over 50 per cent of Metro Torontonians are supportive of this agreement.

It is clear the federal government and this party are on the right path. There is no question about it. They have made a decision and I suspect the Minister of Consumer and Commercial Relations had little, if any, input into that decision. He is certainly one of the left-leaning members of that



executive council, there is no question about that, at least based on his years as Labour critic and even as minister—but he certainly could not satisfy the folks to the right; but they are unsatisfiable, no question about that.

I doubt he had much input into this. I think it is the key players and the nonelected people such as Mr. Ashworth and Hershell, folks like that. Jim Coutts, of course, has the ear of the Premier.

Someone told me that during the election campaign, Keith Davey's car was in the parking lot every day. I do not know whether he was taking advantage of a free parking space.

The Rainmaker: those folks are going to bring a lot of rain to that side before the next four years are over. They are just beginning, and the true nature of this government, the true interventionist, left-wing nature of this government is slowly but surely starting to become apparent. It is going to create some difficulties, not only with the population at large but with some of the more traditional Liberal supporters within their own caucus. There are some people over there, business people, people who have some strong, small-c conservative instincts.

**Mr. Villeneuve:** The Minister of Natural Resources (Mr. Kerrio) is one of them.

**Mr. Runciman:** Yes, the minister from Niagara Falls, there is no question about it. Again, he is used to being a rubber stamp. I think he is comfortable having a car and driver. Let us face it. It is very addictive. There is no question about it. He knows he has that guy picking him up at home every morning. He does not have to drive to work any more, so he is not prepared to take those strong positions in executive council; positions that the member for Niagara Falls truly believes in, I suspect.

In any event, we were talking about Mr. Turner and his position on the agreement. I am sorry I was distracted. This is a quote of Mr. Turner's from June 1984; it was in the Financial Times in 1986. "I believe in moving towards free trade, beginning with our largest market, the United States."

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Here is an excerpt from Politics of Purpose, from Mr. Turner—page 183 if someone wants to look it up: "If some day we can agree to the sharing of this continent's water by offering some of our water for export, we might want at that time to insist that if water is to be considered as a continental resource, markets should also be considered on the same basis. We might wish to export water, not for money, as we sold power

under the Columbia River treaty, but in return for access to their markets."

Here is a leader of the federal Liberal Party saying that he is prepared to sell this country's water, our most precious resource, to the Americans to gain guaranteed access to their market. Look: what are we talking about here? Here we have Prime Minister Mulroney, who has worked out an agreement that is more than fair to this country. He has not sold out our natural resources.

We get all this crying about selling out our resources, but here is the leader, a former Prime Minister, saying he is prepared to sell out our most precious resource, water, for guaranteed access. Talk about hypocrisy. That is the height of hypocrisy. That gentleman is a hypocrite, and I have no compunction whatsoever in saying that in this House today.

**Hon. Mr. Kerrio:** Mulroney can't sell iron ore, that's for sure.

**Hon. Mr. Wrye:** Let's hear what the Prime Minister said in Thunder Bay in 1983. Have you got that quote with you?

**The Acting Speaker (Miss Roberts):** Order.

**Mr. Runciman:** A couple of members of the executive council are obviously aching to participate in this debate. We are going to have a number of days more and we hope they will follow the lead of the Minister of Agriculture and Food and participate. We would be very interested in hearing their contributions; and hopefully, unlike the minister they will be factual and not take the kind of arrogant position he took earlier in the day.

I do not want to leave untouched the official opposition, the New Democratic Party. I guess we have respect for their position. We have all known where they are coming from from the outset. I think it is wrapped up very neatly by Howard Pawley, quoted in the Winnipeg Free Press. When talking about free trade, Mr. Pawley said, "I'm not going to pretend that we have an open mind."

That says it all. There is no question about where that party is coming from, and I quoted Keith Davey earlier in the day in respect to the NDP position, "It's knee-jerk anti-Americanism, anti-free enterprise." That is traditional for the NDP, let us face it.

Obviously, to some degree I think it is a growing tradition within the governing party of this province; and as I continue to reiterate, it is because of the handful of key players, the key players along that front bench.

I want to put a quote on the record from one Steven Langdon. This is a resolution passed at the NDP convention in Montreal in March 1987. It was submitted by Steven Langdon's riding association, Essex-Windsor—the minister has gone; I think this is in his area. That riding used to be held, I believe, by Eugene Whelan, so it is an understandable situation there.

To quote Mr. Langdon, "New Democrats would also work to try to establish a voluntary trade dispute settlement mechanism with the United States that would provide neutral statistics on trade balances and would assist trade negotiators from both countries to reach agreements on individual problems."

In essence, he is talking about what the federal government has been able to achieve. I think it has been said on numerous occasions with respect to the current government's position on this that it has not taken the bigger picture into consideration. They have been very provincial—I guess that is the proper word—with respect to expressing their views.

Most famous, of course, is the Minister of Industry, Trade and Technology when he made his comment in this House with respect to any deal that is a bad deal for Ontario being, by extension, a bad deal for Canada. There are a number of other comments the minister has put on the record, but we are used to that minister making off-the-cuff comments which have, over the past two or three years, got him into some difficulty.

Obviously, it has not impacted on his progress in cabinet: most of us have to consider that a move up the ladder, especially when he is supposed to be carrying the torch for the government with respect to its free trade position. I think, however, if you got into a room with him and had a heart-to-heart conversation, as a business person himself, someone with somewhat more believable credentials as a business person than the Premier, you would find that he does not find this agreement all that bad. But he is being told by the Attorney General, the Premier, the House leader, Gordon Ashworth, Hershell Ezrin, Jim Coutts, Keith Davey and others that he has to support this.

I want to put a few more matters on the record. I want to talk about a few columns.

**Mr. Dietsch:** Read from the Toronto Star.

**Mr. Runciman:** Yes, as a matter of fact, I am going to read a bit from the Toronto Star, based on a request from the members of the governing party.

**Mr. Dietsch:** He is going to read only selected parts.

**Mr. Runciman:** Never.

**The Acting Speaker:** Order.

**Mr. Runciman:** The member is suggesting I am going to read only selected parts of this. It is difficult to find anything in the Toronto Star that is supportive of this agreement. It is very difficult indeed, but as I said, there are a few folks who work for that publication who do have some intestinal fortitude, some integrity, and have taken a stance somewhat different from that of the owner. That may mean their days are numbered; I am not sure.

Jack McArthur, who is a columnist in the financial section, has made some references in respect of the positions taken by Mr. Turner, and he is not being terribly critical of Mr. Turner. He suggests that because he was holding back initially in terms of taking a position, he was roundly condemned as being indecisive and incompetent.

"Turner, who on his earlier record would not reject freer trade in principle, was driven to make his opposition more definite.

"Ed Broadbent echoed his protectionist, labour union supporters with cries of sellout, warnings of Canada being swallowed politically by the United States; highly coloured analyses of all the guesstimated numbers.

"No credit is due anyone, but Broadbent is the biggest offender if you rebel at slanted, premature judgement. He and his party offer almost nothing but one-sided, divisive emotionalism.

"This surely means the NDP will be pushing not only to kill the trade deal but also for more Canadian protectionism, wanting to cut back on our current connections with the United States. The party has outlined, as never before, its deep distaste for such links.

"Seventy-eight per cent of our exports go to the United States; and for the interdependence they imply, even if the new trade deal isn't adopted it is a logical suspicion that the NDP will want to raise new barriers between the North American neighbours, and it looks like the Liberals are inclined in that direction as well."

I think they certainly are in this province and I commend Mr. McArthur for calling it as he sees it.

**1640**

I wanted to talk briefly about some comment I had from the Algoma Steel Corp. Maybe one of my colleagues can look for that comment. It may be in this material here.



We talk about that party representing organized labour in this province. I have always had a great deal of difficulty with that personally, because if we look at the makeup of their caucus, for example, it is difficult to find anyone with any significant experience in organized labour. I think most of them are teachers now. We have two of them here.

**Mr. Breagh:** He is against anybody who can read.

**Mr. Runciman:** That rules the member for Oshawa out.

I am talking about the NDP and its pretensions to speak on behalf of organized labour in this province. I think in terms of organized labour in my area we get down on an individual basis. Talking with people at the plant gates or talking to people in a pub or talking to them in my office, wherever, the NDP is going to find out that, by and large, these people have no difficulty with this. They accept the position being put forward that this is going to be good for Ontario, it is going to be good for this country and, in the end, it is going to result in growing prosperity and more jobs for all of us.

I would like to talk about these people's tails being pulled by people like Bob White, the president of the Canadian Auto Workers.

**Mr. Breagh:** I have to stand when that name is mentioned.

**Mr. Runciman:** The member for Oshawa suggests that Mr. White walks on water. I do not hold him in that high esteem.

I have a reference to Mr. White. Here he is representing a group of Canadian workers who have had by far the most access to the American market under the auto pact and he has the gall to wander around the country and lead the opposition to free trade, which would give other workers—brothers and sisters, as he has the nerve to call them—something of the same degree of access that he has had in his industry. Look how Oshawa has prospered.

**Mr. Breagh:** Brilliant political leadership, that is what did it.

**Mr. Runciman:** I get back to this party and people like Mr. White trying to tell us that they speak on behalf of organized workers in this province. That is a load of baloney; it always has been a load of baloney and it has been borne out by election results. Any election result you look at, if you do a breakdown of where the union vote is going, those folks do not get the majority of that vote. Either it goes to our party, or I think in

the last case it probably went to the Liberal Party of Ontario.

**Mr. Breagh:** Not in Oshawa, it didn't.

**Mr. Runciman:** Maybe not in Oshawa. Hopefully, that will change in the future; hopefully, they will see the light in Oshawa.

When I was talking about the Toronto Star, I talked about some of my background in journalism. When I talk about organized labour, I have some experience there as well. I served as a union president for a couple of years, and I served as a contract negotiator, so I have some experience in that field as well, probably significantly more than most members of that caucus. So I feel reasonably comfortable in talking about the fact that their pretention to try to be the spokespeople for organized labour in this province with respect to the benefits or the lack of benefits of free trade is a complete, total farce.

That is supported by an article in the Toronto Star of December 22. Again, it is a story from Sault Ste. Marie:

"Mirko Eljuga, a coal operator at Algoma Steel Corp. in Sault Ste. Marie, knows nothing about the details of the Canada-US free trade deal but thinks 'it's probably going to be OK.'"

"His judgement, tentative but positive, catches the prevailing mood in the northern Ontario city of 80,000. Many Sault area workers are greeting the free trade agreement as a welcome stepping stone to more job security.

"In reaching their verdict, Eljuga and other members of the United Steelworkers have ignored senior union leaders and harkened to the pro free trade arguments of Algoma Steel and other major employers, notably Hamilton-based Dofasco Inc. and Stelco Inc."

I will put some of the Algoma quotes on the record as well.

"Algoma spokesman Bill Kissick says that, in the absence of the new Canada-US pact, Canadian steel exports would fall victim to tough US tariffs and quotas some time in 1989, if not sooner.

"'The deal to be signed on January 2 in our interpretation precludes this from happening, and that's our number one priority,' Kissick says."

Now they are talking about the senior union folks. They say, "Up in the Sault, however, the union's alarmed analysis of the cheap-labour threat under freer global trade is not considered relevant to the Canada-US deal. Workers there focus on immediate tactical threats to their livelihood generated by their higher-priced co-unionists in the United States.



“‘We have a lot at stake,’ explains local Steelworker president Dennis Abernot.

“‘When you lose a job here you don’t walk down the street and get another one. Toronto is 435 miles down the road. Thunder Bay is 430 miles the other way.’

“Abernot, a skilled local union politician, says the Canada-US deal is good for Canadian steel and good for the Sault.

“‘If there were no deal, I believe the US would tighten the screws on us,’ he says. ‘When there’s a glimmer of light, we’ve got to grab on to it.’”

I am going to put a few more of these quotes on the record, because I think they reinforce what I was saying in respect to the position being taken by the tNew Democratic Party and senior union officials in this province. It is not a position that is in the best interests of organized labour in this province and it is not a position that, I suspect, would be or is supported by the majority of organized labour in this province.

Mr. White is a member of the executive, I believe, of the New Democratic Party, and one has to wonder whether he is always speaking on behalf of his workers or whether he is speaking in support of the views of Mr. Broadbent. Those are some issues we would like to see clarified. I think we all have to be very suspicious of anyone who uses intellectual terrorism to disguise facts.

These are some of the other quotes I would like to put on the record. This is from Dofasco Inc. “The optimism about direct exports extends to major domestic steel markets in the oil and gas sectors, in manufacturing and in construction.

“Algoma, for example, sees no serious free trade losers among its main customers and is finally in a position to realize profits from its investment in a new tube mill.

“‘Anything that’s good for western energy is good for us,’ Kissick says.

“The biggest user of steel is the auto and auto parts sector, and here Canadian steel executives see stability. In their view the Canada-US auto pact was threatened by the hostile attitudes of US auto parts makers and the United Auto Workers in Detroit. Now, they say, steel’s Ontario auto markets are secured by the new auto sector arrangements within the larger trade deal.”

The Dofasco representative “who doesn’t like even to contemplate the possible abrogation of the deal by Liberals and New Democrats, likens the current free trade debate to the controversy over the Canada-US auto pact in 1965.” We have heard a great deal of that during this debate, but the deal was ultimately far more advantageous to Canada than its critics foresaw.

Mr. Varah has a good quote here. He said, if we had turned down the Canada-US auto pact in 1965, “we’d all be driving three-cylinder Beavers and comparing ourselves with East Germany.” How true; but I do not think the members of the New Democratic Party would have any problem with that, I am sure they all drive three-cylinder Beavers now.

1650

**Mr. Breaugh:** Somebody send out for some Sominex.

**Mr. Dietsch:** Or more water.

**Mr. McCague:** They sold all the water.

**Mr. Villeneuve:** John Turner will sell our water for us.

**Hon. Mr. Riddell:** Water is the next thing under attack under free trade. What about our fresh water? Ever thought about that?

**The Acting Speaker:** Order.

**Mr. Breaugh:** This is the best part of the speech so far.

**Mr. Runciman:** I am glad the member is enjoying it. The member for Oshawa has indicated that he is enjoying my comments. I very much appreciate that.

**Mr. Breaugh:** The long pause, in particular, is really good.

**Mr. South:** It is what you call a pregnant silence.

**Mr. Runciman:** It has always amazed me how thin-skinned these folks are as well. Once you start being a little bit critical of the official opposition, they have a great deal of difficulty in handling that. The member for Hamilton East (Mr. Mackenzie) has been in here lately, the member for Etobicoke-Rexdale (Mr. Philip) and the member for Algoma (Mr. Wildman). I have been in this House during this debate and on other occasions in the recent past when some criticism has been levelled against members of that party, and they react almost irrationally. They have a difficult time accepting constructive criticism. There is no question about it. I have never been reluctant to direct a little bit their way, and I am sure they have never been reluctant to direct it my way.

I want to put another quote on the record here. This is from one David Elton, professor of political science at the University of Alberta. This is about the NDP: “It is clear free trade could have a negative impact on some industries, as the NDP says, but when you look on both sides of the ledger, it is about four to one in terms of advantages against disadvantages of the deal.”



That is from a professor of political science at the University of Alberta.

I want to talk briefly about the energy sector, since that is one of the hats I wear.

The Minister of Industry, Trade and Technology, the member for Wilson Heights, is again making one of his off-the-cuff comments: "The US only wants our energy supply," Kwinter warns. 'The Americans agreed to a free trade deal with Canada only because they wanted access to Canadian energy when they face a shortage.'" I think we all know where the minister is coming from.

In the same paper—and I lauded this individual earlier; not simply because she takes this position, on a number of issues she takes positions I do not agree with: Carol Goar writes for the Toronto Star and a number of other publications. She is a syndicated columnist, and the Toronto Star picks up her column, I suppose, to have opposing viewpoints, if nothing else. It occasionally carries George Will's column as well. Carol Goar's conclusion is in the December 16 edition of the London Free Press: "Energy Sections of Trade Deal not Harmful to Canada as Claimed." She goes on:

"Eastern consumers are understandably uneasy. After being told for a decade by Ottawa that energy self-sufficiency is Canada's best insurance policy....after assuming for years the west's oil and gas were part of their birthright, they are being asked to sell their inheritance."

But: "In fairness to the government, the energy provisions are considerably less draconian than Canadians were originally led to believe. But they are no less disturbing. Laid out in the clinical language of lawyers and bureaucrats is a vision of Canada's energy future that sets west against east...."

"A North American energy market is more than Canadians thought they were bargaining for," but, "It wouldn't destroy our identity or jeopardize our way of life," and it is not as harmful to Canada as is being claimed by people like the Minister of Industry, Trade and Technology.

That is in the Toronto Star and is about as good as it gets in the Toronto Star. I again extend my compliments to Ms. Goar.

I want to put some comments on record in respect to the energy industry.

**Hon. Mr. Riddell:** Continental energy policy; we no longer have the right to shape our own destiny.

**Mr. Runciman:** "Shape our own destiny." There is a true interventionist. I thought better of

the Minister of Agriculture and Food, another strong supporter of the national energy program brought in by the former Prime Minister of this country.

This is a quote by Murray Todd, chairman of the Independent Petroleum Association of Canada:

"The new agreement pre-empts the possibility of another national energy program. This agreement does more for western Canada than we have been able to do for ourselves in Ottawa. Western Canada should like this agreement."

Bob Blair, the chairman of Nova, an Alberta Corporation:

"In our business we would prefer to fight than be protected. We're ready to compete with anyone. The kinds of business in western Canada require a large market to build. Even if we had the entire Canadian market, it would not be enough to sustain our output. It appears to me to be a thoroughly positive agreement."

Here is another one from James Tarrant, who is a minister-counsellor of the United States embassy:

"Neither country has given up its right to set its own energy policy. It's important to make clear that the United States does not have any right to Canadian energy supplies per se and that the same is true for Canada."

Here are a couple more in terms of the energy field. Murray Todd, chairman of the Independent Petroleum Association of Canada:

"Security of supply cannot be gained through legislation. Rather, security of supply resides in the vast geological potential of the sparsely explored western Canadian sedimentary basin, from our tar sands and from the Arctic and east coast frontiers. Supportive government policies will encourage our industry to search for and develop new sources of supply. This is the best means to secure our future supplies of petroleum. Vigorous exploration will ensure not only our own security of supply, but also will enable us to maintain and improve our trade with the United States."

Here is one from the petrochemical field from Firman Bentley, who is the vice-president of Polysar Ltd. in Sarnia:

"The free trade agreement is going to enhance an already growing area. We got 100 per cent of what we asked for. I don't see any downside to it. It's exactly what we were trying to achieve—access to the US market for our world-scale petrochemical plant."

This is what our party has been saying all along. We have the Minister of Industry, Trade

and Technology running around the province, again using the same kinds of scare tactics that were prominent during the election campaign and indicating that this agreement is going to hurt us in the energy sector in the near term and long term. That does not bear with the facts. In fact, it could have a very beneficial impact in terms of opening up new sources of energy for this province and for this country.

1700

Again, I think the government has taken an approach that is not in the best interests of this country as a whole and has tried to look at what are perhaps in the short term the best interests of this province. I even have some difficulty with that. I think they have been attempting to justify a position that is by and large unjustifiable.

**Hon. Mr. Wrye:** One more hour, Bob.

**Mr. Runciman:** I can read on for another hour if I have to, if the minister wants to tempt me.

**Hon. Mr. Kerrio:** Oh, I am not sure you can read on.

**Mr. Runciman:** The minister does not believe so?

**Hon. Mr. Kerrio:** Not according to the rules; better think about that.

**Mr. Runciman:** I want to put some comments on the record from one Richard Lipsey, who is recognized as one of Canada's foremost academic economists. He is currently an adviser to the C. D. Howe Institute.

The opening paragraph should interest the minister: "Consumers of Canada unite. You have nothing to lose but your high prices." Critics of the free trade agreement say Canadians have more to lose than Americans because Canada has the higher tariffs. Lipsey finds that to be total nonsense:

"Consumers gain by getting rid of tariffs. The higher their country's tariffs the more they gain by getting rid of them. Senior citizens in particular and consumers in general should be pleased that they will pay no more in Oshawa or Kingston than they now pay in Detroit or Buffalo."

**Mr. Haggerty:** You don't believe that; come on now, Bob.

**Mr. Runciman:** One of the members is interjecting that I do not believe that. The member for Niagara South (Mr. Haggerty) is suggesting that he knows better than one of Canada's foremost economists, an adviser to the C. D. Howe Institute. The member has studied this agreement so thoroughly that he can

contradict one of Canada's most respected economists.

I have a great deal of difficulty in accepting the fact that the member for Niagara South has taken a thorough look at this agreement and all the implications, what it means to the consumers in his riding. I seriously doubt it. What he is doing is what he has done so well for years. He is sticking up his hand when he is told to stick up his hand and standing up when he is told to stand up.

He is a good member for his riding. I will not be critical of the member. There is no question about it. But he is there to serve his master. His interjections are certainly not adding much to the debate. He has indicated that he has some difficulty with one of Canada's foremost academic economists. If he wants to take Mr. Lipsey to task later on during this debate, we would love to hear his comments, his statistics and his position with respect to what Mr. Lipsey has put on the record.

When Mr. Lipsey talked about critics like the member for Niagara South, he said:

"Good Canadians will understand that rejecting the free trade deal is the price of remaining Canadian. The view that we cannot remain Canadian because we trade more freely with the United States shows how out of touch with reality the great free trade debate has become. This view shows no understanding either of Canada's past or of the rest of the world's experience. The proposed agreement is not some novel policy taking Canada into uncharted waters."

He has an accompanying chart to show that Canada dismantled over 85 per cent of its tariff protection from 1935 to 1986:

"We did not fall off the end of the world when those tariffs were dismantled. Jobs were created, not lost; and our social programs were developed rather than dismantled. So why, in Heaven's name, when we remove the last 15 per cent of our tariff protection, should some new, totally different scenario unfold? When we proceed along the broken line surely the world will unfold as it did when we proceeded along the solid line."

I think Mr. Lipsey's comments are very significant. I am going to take the time to put them on the record:

"Free trade is not an untried initiative from the world's point of view: 71 countries, including all advanced industrial countries except Canada and Japan, which already has a domestic market of 120 million people, are currently in some form of regional trade-liberalizing arrangement. These numbers reflect the simple assessment of both conservative and socialist governments that in



today's highly integrated world large markets matter. If these countries can come together to reap the benefits of larger markets without losing their distinctive characteristics, why is Canada unable to do so?"

**Hon. Mr. Fontaine:** Buy a newspaper. You can read a newspaper.

**Mr. Runciman:** The Minister of Northern Development (Mr. Fontaine) is interjecting in his usual helpful way. You know, there is a gentleman whose answer to any question he is asked we have extreme difficulty in ever understanding, and he talks about reading excerpts from a newspaper. I would like to see some of his colleagues, himself included, do away with reading their answers from their books whenever a question is posed to them in this House and start making some sense during question period on occasion, which is certainly rare indeed.

Canada is proposing to remove, over 10 years, tariffs that currently average about 10 per cent. That is one per cent per year. Last year the rise in the value of the yen was the equivalent for Japanese industries of removing a tariff of 40 per cent in about nine months. If Japanese industry can adjust to that kind of buffeting, surely Canada can adjust to taking off one per cent protection each year for 10 years.

The critics say: "We will become like Americans if we trade even more with them. We will catch their lack of dynamism and adopt their gun laws." Adopt their gun laws, Madam Speaker: can you believe that?

The British industrial decline began in 1900, yet Britain was our major trading partner for nearly 60 years thereafter. We traded with the British without their lack of dynamism rubbing off on to us. If we buy our groceries from a fascist and sell some services to a Marxist, trading with these guys to our mutual advantage makes us neither Marxist nor fascist. Canadians have confidence in themselves, and you can rub shoulders with Americans without becoming American in outlook or in policies.

I have to share that. I grew up in a border town, and we do not have the same view of Americans as many across the floor do, and certainly our friends to the right. We have friends in Ogdensburg, New York, and Watertown, New York. My brother-in-law is an American from Ogdensburg, New York. We have grown up with these people and we know what kind of people they are. I do not think we have to have the same kind of fears we have heard expressed by opponents of this deal, about Americans and the kinds of big,

bad ogres that people in this government and people in the opposition parties in Ottawa are expressing. They are indeed our best friends, and we should treat them as our best friends. We have negotiated an excellent deal with our best friends.

The critics are also telling us that social policies will be eroded. It has to be considered a bit strange that those Canadians who feel we cannot maintain our distinctiveness if we trade a bit more with the Americans also feel that we are so different from everyone else that the experience of 71 other countries is totally irrelevant.

Holland has a very expensive set of social policies, yet it has been in a free trade area with low-spending Belgium for 50 years. Sweden also has many high-cost social policies, yet it trades freely with conservative West Germany in the European free trade area. Rich countries have traded profitably with poor countries; and high-social-spending countries have traded profitably with tight-fisted countries over many centuries.

In any case, we have already removed 85 per cent of our tariff protection over the past 50 years, and we still have our distinctive social policies. According to the opponents' arguments, we should have lost 85 per cent of our policies already. Why on earth should taking off the last 15 per cent lose us those things that we have preserved and expanded through the removal of 85 per cent of our tariffs?

The United States offer of preferential access to its market has made Canada the envy of world traders, yet in a fit of national insecurity, Canadians may reject the offer. I personally do not believe that is going to occur. I think the polls are starting to show a trend in the direction that people are taking a close look at this agreement, or starting to listen to the details and they are not being swayed by the emotional arguments. Once they do take a close look at this deal, I believe quite strongly that it is going to be supported by the majority of Canadians. That is going to be reflected in the next federal election as well.

1710

It is clearly indicated now that the Prime Minister and his federal colleagues are moving up in the polls. The people suffering in the latest Globe-CROP poll are members of the federal New Democratic Party, who have been most strident in their opposition to this agreement; and that is starting to have an impact on the electorate, the people of this country.

"Anyone who has lived in the United States knows that Canadians are not Americans. The reasons lie in our different histories, geographies



and immigrant experiences. We Canadians should have enough confidence in ourselves to grasp the offered material advantages while understanding that we will remain Canadians even if we eat one more McDonald's hamburger or watch one more episode of Dallas or trade a bit more with the United States. Canadians of this great country unite, you have nothing to lose but your fears."

I think perhaps Mr. Lipsey has very succinctly caught this position in terms of the critics of the deal. He has covered all of the bases. I think we simply have to talk about investment projections in Canada if this deal goes through. The member for Brantford has talked over the past number of days in his interventions about the branch plant economy and losing branch plants; and I indicated with respect to my riding the number of branch plants that are so important to the local economy and the kinds of corporate citizens that those companies have been and where many of our communities would be without those branch plant operations.

I happen to be a subscriber to the Christian Science Monitor, an American publication. When we are talking about investment, I think we also have to take a look at investment going the other way: not just US investment in Canada but Canadian investment in the United States. It has been booming. In Canada it is \$7.5 billion. If we talk about the last year, take a look at what is happening in terms of investments in the United States: Canadian outward investment accelerated in the mid-1970s, and since 1978 it has averaged about \$3.5 billion a year. In 1981 and 1985, Canadian companies acquired more than \$5 billion in foreign assets and most of that has gone to the United States, more than 65 per cent of it in 1984. The book value of Canada's direct investment in the United States climbed from \$5.5 billion in 1975 to \$35 billion in 1985. The average annual increase over that decade was about 20 per cent. By now, close to 528,000 workers in the United States are employed by Canadian-owned companies, topped only by British-owned companies, which employ a little over 600,000.

I guess we have to wonder about the reaction to the Americans with respect to this kind of investment. For my view it has only been positive. The feedback I have received has only been positive about the kinds of investment that Canadians are making in the United States. I think that again we have to look at our neighbours as friends and not folks that we have to be terribly concerned about in respect of their intentions.

As I said earlier, with respect to the government's position in this Legislature and the position it took in the campaign, a measure of it was opportunism. But I think it also reinforced again my view, and I cannot say it often enough, that this is very much an interventionist government and a government that believes in intervention.

We have had that reinforced. I think even the Minister of Agriculture and Food was talking about intervention and national energy programs and so on, and indicating his support for the much-maligned national energy program brought in by Mr. Trudeau. Again, as I indicated, the Star in its continuing efforts, and David Crane in an article "How Intervention Has Worked for Canada," indicated again the sort of approach that party, echoed by the Toronto Star or vice versa, would like to take.

**Hon. Mr. Elston:** Have you said it before, Bob?

**Mr. Runciman:** Well, I am just getting through all of my clippings here.

Another one was in the Toronto Star just the other day in an editorial, "Logic Doesn't Lead to Trade Deal." The first point they make is that the government will not have the ability to intervene with the discretion that it has had in the past. Of course, that has been their key concern, intervention in the economy, and the fact that more decisions will be made by the business community.

**Hon. Mr. Elston:** More decisions made by the business community in the United States.

**Mr. Runciman:** The minister says, "More decisions made by the business community in the United States." He was not here earlier when I talked at some length about industry executives at Dupont of Canada in my riding, indicating very clearly that they do make their decisions within Canada. I talked about Procter and Gamble in my riding closing down a plant in New Jersey and moving to Brockville because of the productivity levels in its Brockville facility. I think we do not have a valid concern in that respect.

Again, I want to put a few more things on the record. I am sure members will appreciate this. This is from the latest issue of Reader's Digest.

**Hon. Mr. Peterson:** Ronald Reagan reads that.

**Mr. Runciman:** He also eats jelly beans.

**Hon. Mr. Peterson:** He eats jelly beans. He doesn't read jelly beans.



**Mr. Runciman:** The Premier has made a tremendous contribution to the debate here this afternoon. He has clarified the fact that the President eats jelly beans and does not read them.

**Hon. Mr. Elston:** You read tea leaves.

**Mr. Runciman:** Reads tea leaves, yes.

In fact, the essence of this article is that Canada, some middle power in international politics—and I may not go through all of this, I will spare some of the members; but then again I may, it will depend.

**Hon. Mr. Elston:** It is very important stuff.

**Mr. Runciman:** Yes, it is.

"In international politics, it takes time for perceptions to catch up with reality. While Canadians have been slow to recognize this, Canada has come to be seen as a major power, with the international interests and capabilities such a term implies. Most Canadians are comfortable thinking of themselves as a middle power, but I am not sure that this is the best way for us to see ourselves. To paraphrase Robert Burns, to see ourselves as others see us frees us from many a blunder and foolish notion.

"What do others see of Canada? Well, they see a country with the seventh-largest economy in the free world. They see the second-largest country on the global map. They see that since 1970 our gross domestic product has more than quintupled.

"They see a lot more. Since the beginning of 1983, our growth rate has been among the highest of the group of seven major industrial countries. And all of this has been happening despite a prolonged retreat in natural resource prices.

"By 1985, manufactured products amounted to over two thirds of Canadian exports. In the Fortune 500 ranking of the largest non-US industrial companies, Canada has nearly as many entries as France and three times as many as Italy. Nor"—this is a crucial point—"do we only export. We also import, and in a big way. The latest figures show that we now take almost 25 per cent of all US export.

"The investment picture as well has changed dramatically. In 1960 the net flow of direct investment to and from Canada was \$620 million. Foreigners invested \$670 million and Canadians invested \$50 million abroad. By 1975, foreign direct investment in Canada was \$725 million; Canadian direct investment abroad was \$915 million." In other words, the net flow became an outflow and stayed that way.

In the past three years, the flow of Canadian direct investment to the United States exceeded the flow of US direct investment to Canada. Indeed, by 1985, the total of Canadian direct investment in the United States equalled almost three fifths of the total US direct investment in Canada.

That size of investment increases the Canadian presence abroad. It extends Canadian interests in the world and brings with it a measure of increased Canadian influence. So does our aid program. It delivers assistance worth approximately \$2.5 billion per year. In absolute terms, that is eighth in the industrial world.

The point is that in the international scheme of things our strength ranks us ahead of more than 150 countries. Some middle power.

I will go on to this point again in a few moments, but I want to reiterate some points I made earlier, as the Premier is present and I would like to make these points again in his presence. I have expressed a concern on many occasions about the key players in the current government and their ideology, their philosophy and where they are coming from.

I said some people have been less than generous to this government about its current position on free trade, indicating that it was an opportunist during the election, ran with this issue and put itself in a position where it now has to oppose it. I have suggested that the key players in this government are truly opposed to this agreement and are not simply backed into a corner from their stance in the election because of their belief in their ability to intervene in the economy and because of the views that were put forward by the Attorney General during his speech to the Canadian Bar Association a couple of weeks ago when he talked about this agreement restricting government's ability to intervene in the private sector.

I think this is an interventionist government by nature. I think it is going to continue to clearly show that in the years ahead.

I talked about the Premier's business background and I was not attempting to be defamatory. I was simply putting something on the record about how I feel about his background and where he is coming from in respect to this issue. I do not think he has an extensive business background. He became president of the firm that was owned by his father and indeed had a couple of years as the president of that firm. But if you take a look at his father's beliefs, being a signator of the Regina Manifesto, I think there is an inclination there along the way, in terms of ideological beliefs,



that are being reflected in the current government.

**Mr. South:** The sins of the father visited unto the second and third generations.

**Mr. Runciman:** That is right. The foghorn has sounded from eastern Ontario.

**Mr. Villeneuve:** Still in the fog.

**Mr. Runciman:** Yes. Constantly in the fog.

I think I am being fair in this respect. I think this is essentially where this government is coming from. I have emphasized on a number of occasions that this is indeed an antibusiness government. We have seen it reflected in legislation that could be blamed, if you will, on their alliance with the New Democratic Party, but I think in the years to come we are going to see more positions taken by this government which reflect that outlook on the way government should operate in this country. I simply wanted to say that in the presence of the Premier.

Getting back to the question of Canada being unable to compete effectively in world markets, I want to put again on the record that today Canada is recognized almost everywhere as a major power.

We would not now be a member of the Group of Seven if the leaders of the western world's major economies did not recognize the necessity of including the Canadian Prime Minister in their deliberations. We would not be a member of the Group of Seven finance ministers if they believed they could do as well without the presence of their Canadian colleague during their discussions.

We would not have played host at Quebec City in 1987 to the new institution of the francophone summit, of which Canada was the principal architect, or helped steer the Commonwealth through a difficult agenda of international problems if others did not appreciate this country's capacity for constructive and creative leadership.

Our membership in the North Atlantic Treaty Organization and our military presence in Europe would not be so highly valued if governments and people throughout the North Atlantic region did not feel the need to have us present in the field and at the negotiating table.

At the same time as we become steadily stronger among nations—relative, that is, to others—the scope of any nation to act independently is becoming steadily narrower. Canada, Brazil, Singapore, West Germany, Japan and the United States have all become increasingly integrated into a larger world system for goods, services, finance, technology, information trans-

fers, sports, communications and more. No country, not even the United States, can escape the limits on sovereignty that modern realities impose.

For Canada, these changes are paradoxical. In a world community where the freedom of individual states to act is constricting the influence of Canada, it is steadily expanding vis-à-vis others.

What are the implications of this situation for our relations with the United States? It follows that when we see ourselves in relation to our southern neighbour, we should not think of ourselves as the modest middle power next to the giant, as a beleaguered society constantly threatened by absorption or as a nation constantly in need of protective, defensive policies.

The world does not see us this way. The Americans do not see us this way. Indeed, Canadians increasingly do not see themselves this way. Canada is emerging as a more confident nation that sees more opportunities in the world than threats, more avenues than fences, more challenges in extending its presence in the land of others than closing its own land to the presence of others.

If Canadians are frustrated by the constraints of interdependence, Americans are infuriated by them, and apprehensive too. Nowhere is this apprehension clearer than in trade, which dominates the United States political agenda. That is why the free trade negotiations were so critical. At their most basic level, their objective was to bring the rule of law to bilateral trade, to create a system that takes the politics of special interests out of the conduct of trade.

Canadians have a great deal at stake. If the deal falls through, there will be no return to the status quo for Canada. Those who would prefer that option must realize that the status quo is gone.

Americans also have a lot at stake. If they cannot strike a deal with Canada, how can they negotiate freer trade with the rest of the world? Moreover, in the absence of an agreement between the United States and Canada, it will be difficult to prevent bilateral trade disputes from increasing. It will also be difficult to prevent the disputes from affecting the larger relationship, although political leaders will try very hard to confine the protectionist virus. That, in addition to its inherent benefits, is why both sides need a trade agreement.

While an agreement would be welcome in Washington if the terms were right, there is no sign anywhere that the Americans see a trade agreement as a means to swallow up Canada at



last. That is a Canadian myth. The United States is a pluralistic, competitive, turbulent society, almost totally absorbed in the extraordinarily difficult task of governing itself. The Americans have little inclination to look northward at all, let alone with Manifest Destiny on their minds. More than anything else, what most Americans would like is to be left alone. Canadians would be foolhardy to ignore the United States's power, but we would be foolish to allow myths about our vulnerability to obscure our vision or to discount our prospects.

The fact is that the world has changed; the Americans have changed and we have changed. We can make an error of historic proportions as we judge one of the most consequential negotiations in our nationhood, if we fail to see ourselves as others see us.

1730

I simply want to wind up my comments and indicate that the member for Hamilton West (Mr. Allen) is going to put a few comments on the record as well, and there may well be someone in the governing party who would wish to make some comments.

But I think I have indicated quite clearly from my perspective, from talking to people in my riding, from talking to people in the business community, in industry and in agriculture that there is indeed widespread support for this agreement. We are talking about people who have taken the time, spent the money and done whatever is necessary to analyse this agreement thoroughly, in the final text and its impact on their particular business operations. They have come to the conclusion that this is indeed in their best interests and in the best interests of this province and of this country.

I must say that, because of our position in this debate over the past couple of weeks, in the way that we have had to become involved, speaking at length and having to do some research, looking at the issues and looking at positions both pro and con, taking a look at how various elements of the agreement may impact on our own ridings, I think we have had the opportunity perhaps to become much more familiar with it than we would have otherwise, except for perhaps those members who are serving on the committee that is taking a close look at the agreement.

I regret that perhaps members of the governing party have not had the same opportunity, simply because they have been told the position they are going to take. That is indeed regrettable. I think it is the kind of issue where it would have been an excellent opportunity for the leadership of the

party to open it up for very meaningful debate within its caucus and thorough study by one of its infamous caucus committees, perhaps in terms of what this meant to Ontario and what it meant to Canada, and then had a thorough, full discussion at caucus, so that it could have taken a position; that perhaps may well indeed have reflected its current one, but I suspect, in fairness, it would have been significantly different.

Knowing the makeup and the backgrounds of many members of its caucus and the fact that many of them are Liberals in the truest sense, the leadership does not reflect in any great way, in my view, the feelings and views of the bulk of the membership of the current government caucus.

I think that is going to take its toll over the years. I have had the opportunity, and a few of us on this side have had the opportunity—and it is unique from an opposition perspective—of having sat as a government back-bencher, having sat as a member of the executive council and now, sitting as a member of the opposition and sitting back and looking at some of the things that the government back-benchers are going through.

I was elected in 1981 with a caucus of 71 or 72. We had some difficulties then and we know that the Premier and the government House leader are attempting to placate the members and to keep them all happy; but I wonder, in terms of this issue, in terms of many other meaningful issues that we have faced and are going to face in the coming months, just how much input the members really have into those decisions. I suspect it is very little.

I guess it is a personal decision as to whether anyone wants to stand up and take a position which is at variance from that of the leader of his party. I cannot personally recommend it. When we talked earlier about Suncor, I was the lone member of our caucus to disagree with the leadership of my party during that situation and I cannot indicate that it was of any great benefit to me. Let me put it this way, I was the only one to disagree publicly with that decision. So, based on my own experience, I cannot recommend that course of action to the members; but I think that, if indeed they go on for the next few years in the current situation, there is going to be a significant and growing degree of frustration within the ranks of the governing party. Of course, we will do nothing to discourage that.

Again, this has not only been a debate about the free trade agreement. It has also been a debate about process and about the way this whole matter has been handled by the government. Perhaps the government members are tired of



hearing this familiar refrain, but it happens to be the fact. It happens to be a fact that there was an agreement between the House leaders. We have the two opposition House leaders in the House, and if I am saying anything incorrect, they can stand up and correct the record. Our understanding is that an agreement was reached in terms of a resolution being brought to this House: a resolution that simply referred this question to a committee of the Legislature, not a substantive motion.

Earlier in the day, I tried to take some of the burden off the government House leader's shoulders. I think he has received a great deal of criticism for the way he has conducted himself in the past month or so, but I have indicated that he has been in a learning mode. I think he has learned a significant amount from the way this whole matter has evolved over the past number of days. In terms, hopefully, of the government, we will see about that in the days and months to come.

We are small in number and I think we have a very important role to play in the Ontario Legislature and the democratic process in this province. It is very important to the people of this province that we did have some opposition members elected. I have some sympathy for the folks in New Brunswick, although certainly in his initial moves the Premier of New Brunswick has made the right decision in respect to this agreement and is not taking a view that is in the negative interests of—

**Mr. Smith:** What about six frigates?

**Mr. Runciman:** We have to put this on the record. We earlier had the Minister of the Environment (Mr. Bradley) suggest that the Liberal Premier of New Brunswick made that decision based on the federal government's decision to have frigate construction in his province. The Minister of the Environment has that on the record. Now we have the member for Lambton (Mr. Smith) indicating his support for that view. I think that perhaps we should make every effort to make the Premier of New Brunswick aware of the views of his Liberal friends in the Ontario Legislature: some friends.

I am not going to question the motives of the Premier of New Brunswick. I think he looked at what was best for the country and his province and made the decision based on that.

**Hon. Mr. Peterson:** The member is just questioning everyone else's motives.

**Mr. Runciman:** I am not impugning the Premier of Ontario's motives. I have indicated earlier where I think he is coming from. I think

Rosemary Speirs indicated in her column that he is the leader of the left-liberal wing in this country that strongly supports intervention in the economy. I am not impugning his motives at all. I have suggested that there is a great deal of misunderstanding out there about just what his motives are. Some of his critics have indicated that he simply was an opportunist during the election and that he has himself in a position where he cannot back away from it.

I think the New Democratic Party, as a matter of fact, has taken the position that he is not being strong enough. Clearly, he is doing what he believes in; not necessarily what his caucus or his party believes in, but what he and a handful of key players in that caucus and in that executive council and a handful of key unelected folks—we will put their names on the record again: Mr. Ashworth, Mr. Ezrin, probably Mr. Coutts, Senator Davey and a number of others we are unaware of. Those are the people—

**Hon. Mr. Peterson:** Hughie Segal, Eddie Greenspan.

**Mr. Runciman:** We have had a real revelation. The Premier has indicated that he now consults Hugh Segal for advice. He is part of his Tuesday morning coffee club, no doubt. Times change, but they do not really change, do they?

**An hon. member:** We agree with that statement.

**Mr. Runciman:** I know. The official opposition has no problem with that.

Again, we are talking about process. I think we have to have an appreciation of the special role that the opposition has to play in this House because we are small in number; I think the government has to be especially sensitive to the role of opposition in a large majority government.

1740

**Hon. Mr. Kerrio:** Why do you think you're here?

**Mr. Runciman:** In response to that, the Minister of Natural Resources said, "Why do you think you're here?" That is kind of an arrogant remark; it really is. What he is suggesting is, "We could have invoked closure after two or three days." That is really what he is suggesting: "We could have really flexed our muscles. We could have really come down on you hard." Maybe they could have. There is no question that they have the ability to do that at any time. But by the same token, they have not treated this opposition with the sensitivity that they should have in their—



**Hon. Mr. Wrye:** We are still hoping to hear a good speech. Mike, have you spoken yet? You can do better than this.

**Mr. Harris:** February.

Interjections.

**Mr. Runciman:** I am saying they have not. Government members are suggesting that the mere fact this debate has continued is an indication of their sensitivity to the opposition. With all due respect, that is a crock. Is that parliamentary?

**Mr. Breaugh:** Crock: that is parliamentary and we haven't heard that phrase for some time.

**Mr. Runciman:** With respect, that is a crock. Let us face it, we are here because the opposition parties stuck to their guns. They were offended, very deeply offended by the way the government, through the House leader, dealt with this whole issue. Again, I have said we had an agreement among the House leaders. A nonconsequential resolution in effect referring the whole question to the standing committee was to be brought to this House. We will probably never know for sure, but I suspect the House leader had this dropped upon him in the brainstorm of Jim Coutts, Hershell Ezrin or whomever—we will never know—who said to the Premier, "Let's really kick tail here and tell Ronnie Reagan and Brian Mulroney—"

**Hon. Mr. Peterson:** Put it on the record; it was Hugh Segal who did this.

**Mr. Runciman:** Hugh Segal? I do not believe that for a moment.

**Mr. Harris:** Coutts is in favour of free trade now.

**Mr. Runciman:** Really? I wish I had known that earlier. Obviously, Coutts is no longer in the inner circle if he is supporting free trade.

I keep getting distracted from what I am attempting to say here.

**Hon. Mr. Elston:** You have very little to be distracted from.

**Mr. Runciman:** I cannot help but make note of the presence of the Chairman of the Management Board of Cabinet (Mr. Elston). I have spoken on a number of occasions since this House has reconvened and he always attends. We have to be amazed. I served as a member of Management Board and we have a former Chairman of Management Board sitting here as well. We know the kind of onerous load the chairman of the board had during our days in government. He did not have time to sit in this House and heckle members of the opposition

parties. We have to wonder, did the minister get a promotion? He was the Minister of Health. Did he get a demotion? Is he in that position by his own request? Who is running the place? Is the Secretary of the Management Board running the show?

We have not asked the chairman any questions but I suspect based on his presence here every day—he does not bring anything with him; probably a newspaper on occasion; the Toronto Star if anything. He sits over there memorizing the Toronto Star.

**Mr. Speaker:** Does this work into the amended resolution?

**Mr. Runciman:** You had to ask that question, didn't you, Mr. Speaker? Back to the amended resolution.

I said this debate is not only about free trade but is also about process. I have been slowly but surely trying to get to the point. I was saying—

**Hon. Mr. Elston:** Very slowly.

**Mr. South:** You are proving New Brunswick is a good idea.

**Mr. Runciman:** Remember, I was talking about New Brunswick and how important having an effective opposition is to the parliamentary system. I think a special burden is placed upon the government in this current situation, with its 90 some members. They have to be extremely sensitive to the current situation.

**An hon. member:** Why?

**Mr. Runciman:** "Why?" one asks. If you care about democracy you care about having an opposition. It is extremely unfortunate what has happened in New Brunswick. It could have happened here very easily when you look at the popular vote. The fact that we have a three-party system in this province is what unquestionably saved our bacon for the few of us who survived.

In any event, in the future, when we talk about sensitivity, I think there has to be increased sensitivity to what this kind of resolution means to us, means to the New Democratic Party and means to the Progressive Conservative Party of Ontario. We had an agreement reached among the House leaders. We had the government House leader come in with a substantive motion which was directly in conflict with an agreement reached among the leaders; he dropped this on us just before the Christmas break. So there have been some harsh feelings.

I am talking about some sensitivity on the part of the government with respect to an opposition, although small in number. I am saying that this really was a bastardization of the process, if you

will, a totally inappropriate act on the part of the government. When we look at what is going to happen in the future, I think, I hope, there are some messages here, some very clear messages.

The Minister of Natural Resources says: "We treated you fairly. We could have invoked closure." I have said that they can do this at any time, but that is not going to wash with the public of this province. They have to be seen as treating us fairly. That is why this debate has continued. There is no other reason. It is not because those folks really want to be here or want to be considerate of the opposition.

It is clear from the feedback we are getting here today that there is no real appreciation of the situation. There is no real sensitivity to the situation in this province with a massive majority government and a small opposition, as to how it has to treat this opposition. Those folks have to treat us with kid gloves. That is the bottom line. They have to treat us with kid gloves.

**Mr. Elston:** Careful, careful. You'll get our goat.

**Mr. Wrye:** Just like you treated us in 1981. Remember?

Interjections.

**Mr. Speaker:** Order.

**Mr. Runciman:** Let us face it, I cannot remember. I remember I was a government back-bencher in 1981. I was not a member of the executive council who hopefully can have some influence on the way the government is operating, on the way it is dealing with the opposition parties.

Interjections.

**Hon. Mr. Fontaine:** Look what the rats upstairs are doing.

**Mr. Runciman:** But I am not confident about that based on the catcalls coming across the floor. I certainly would never count on the support of the Minister of Northern Development.

**An hon. member:** The people of the north cannot either.

**Mr. Runciman:** No, the people of the north cannot either, that is for sure. Let us get that on the record.

I talked about sensitivity. In the future, we are hopeful that we going to see increased sensitivity. There are a number of options open to us as members of the opposition, procedural options. We all want to see this House play a meaningful role.

**Hon. Mr. Peterson:** This is a first, a sensitivity lesson from Bob Runciman.

**Mr. Runciman:** That is right; I am a very sensitive person.

**Mr. McCague:** And sensible too.

**Mr. Runciman:** And sensible too; that is right. I thank my colleague for adding that. This is being offered in a very constructive fashion. The Premier could aggravate me to the point where I may get into something else, which I would rather not get into today in terms of sensitivity.

I like the Premier. I knew him when he was in opposition. I knew him when he was a member of committee before he was leader of the party. At the same time, I have been deeply offended by his approach in terms of the question I asked some weeks ago in terms of Chilean wines. I made this point when I was talking about this Premier making a decision and his level of maturity in terms of dealing with some of these issues. I talked about Chilean wines and the way he reacted to that, and his reaction in the media this morning in respect to this debate going on. It was reported in the media this morning that he did not care if it went on for months; that is OK by him. Is that the reaction you expect from the Premier of a province? When I asked him a serious question about human rights, he made a very derogatory response questioning my commitment to human rights. Those are the kinds of—we talk about sensitivity.

1750

**Mr. D. R. Cooke:** Talk about trade.

**Mr. Miclash:** Exactly, talk about trade.

**Mr. Runciman:** He makes the point. I am putting my feelings on the record. I think there has to be an increased degree of sensitivity and it has to stem from the top. He has to lead the way. Responses such as I received the other day certainly do not set an excellent example for his colleagues. The way this whole matter of the free trade resolution has been dealt with by the government offended us and makes it extremely difficult to function in a very productive way in this House.

I think we are here to perform a role, an important role in this Legislature, a role that has to be understood and respected. They may not always like it and they may not always appreciate it, but it has to be respected.

**Hon. Mr. Fontaine:** Half an hour is enough.

**Mr. Runciman:** I know they would like to have a rubber stamp. They would like to have nobody sitting over here and just come in and pass everything. Well, that is not in the best



interests of the people of this province. I am saying the sensitivity has to stem from the top.

We can talk about the House leader and the resolution that was brought in here and his attitude. We get into a level of—there was speculation in respect to arrogance in one of the Toronto papers the other day, talking about arrogance already within this majority government. The members who were mentioned were the Premier, the Attorney General and, I think, the Minister of Labour (Mr. Sorbara). I would have added a couple of more folks to that list. I would have added the Minister of the Environment and in many respects the government House leader. But we are not surprised by the government House leader's approach. Even in opposition he was never a humble soul, we can recognize that.

If you put those five gentlemen in a small room with one mirror, that would be the definition of chaos, there is no question in my mind. We talk about egos and we talk about world-class. That is world-class over there; world-class egos along that front bench.

**Mr. Breagh:** Well, they've been in power for 44 years, that's why.

**Mr. Runciman:** Yes.

**Hon. Mr. Kerrio:** Put you in a room alone; you'd be chaos.

**Mr. Runciman:** The minister does not call this chaos, does he?

**Hon. Mr. Elston:** Talk your way out of that one.

**Hon. Mr. Peterson:** Go for air, Bob.

**Mr. Harris:** You won't even feed the deer.

**Mr. Runciman:** In any event, I do not mind a little criticism.

**Mr. Breagh:** Yes, from a man who won't even feed starving deer.

**Mr. Runciman:** That is right.

**Mr. Villeneuve:** But he knows how many fish he has too.

**Mr. Runciman:** He will not feed starving deer but spends all his extra time counting fish.

Interjections.

**Mr. Smith:** You're a class act, Bob.

**Mr. Runciman:** Thank you very much. Can we get that on the record? The member for Lambton said that the member for Leeds-Grenville is a class act and he said it in a very sincere fashion; there is no question about that.

**Mr. Breagh:** Now it's on the record.

**Mr. Runciman:** That is right; it is on the record. It is about as sincere as a Liberal can get.

**Mr. Eves:** After 14 martinis.

**Mr. Runciman:** Yes.

I have only a few minutes to go.

**Mr. Breagh:** Get back on the Bob White stuff.

**Mr. Runciman:** No, I do not want to get back on to Bob White. I think if someone can talk about Bob White and the hypocrisy of Bob White, no one can do it any better than the member for Oshawa. I sit over here and listen to the member for Oshawa talking about Bob White. I have heckled during some of the question periods and I have made some comments about Bob White. The member for Oshawa inevitably will say, "Bob's out walking on water at the moment."

**Mr. Breagh:** No, "Bob's walking on Lake Ontario."

**Mr. Runciman:** Bob's walking on Lake Ontario.

**Mr. Breagh:** He jogs there every afternoon. It's a matter of faith, but—

**Mr. Runciman:** So we know where the member for Oshawa is coming from in respect to Bob White.

Much of the last few moments has been in sort of a jocular fashion, but in all sincerity, I want to talk again about the relationship between the government and the opposition parties. We have just started this process. We have close to four years—three and a half years—ahead of us.

Interjections.

**Mr. Runciman:** Well, I predicted earlier that I am sitting beside the future Minister of Agriculture and Food about four years from now, who is going to turn this province around in terms of agriculture. He is going to do the job that needs to be done now and is not being done.

**Mr. Breagh:** The man who has to follow in Jack Riddell's footsteps.

**Mr. Runciman:** Well, there is some argument about whether he will follow in Jack's footsteps or the footsteps of the former member for Lincoln, but time will tell.

Again, I want to put on the record that I hope this whole exercise has not been one of futility. Obviously, we have had an opportunity to get on the record with our views and our support of the free trade agreement as we see it.

**Mr. D. R. Cooke:** And you've wasted it.

**Mr. Runciman:** I do not think we have wasted it. I think most of us have taken advantage of the

opportunity to express our personal views, although they certainly are in compliance with the views of our party. I think we feel very comfortable with that indeed. I suspect that is not the case across there. You cannot go through their caucus and find the kind of comfort level with their position that we have with our position. I seriously doubt it.

**An hon. member:** The member from Niagara is very uncomfortable.

**Mr. Runciman:** The member from Niagara? Yes, I have no doubt about it. In fact, I think one who has the most serious reservations about this whole exercise is the Minister of Industry, Trade and Technology, the member for Wilson Heights, who has some business credentials that stand up to scrutiny. In talking to his friends in Metropolitan Toronto in the business community—and he has some—there is no question about it.

**Mr. Breagh:** There is his brother, and who else?

**An hon. member:** Both of them.

**Mr. Runciman:** Yes, both of them. I am sure if we were to have the minister fess up, we would know he does not find this offensive at all. If he had his druthers, he would be standing up there saying: "This is not a bad deal for Ontario. This is a darn good deal for Canada." We are not going to hear that, regrettably.

**Hon. Mr. Kwinter:** Mr. Speaker, on a point of order: Is the member allowed to say what I would say?

**Mr. Eves:** You agree, don't you?

**Mr. Breagh:** Somebody has to.

**Hon. Mr. Kwinter:** He cannot say that.

**Mr. Speaker:** The honourable member has a few minutes left, and he wants to say a few things further, I believe.

**Mr. Runciman:** My only reference to that is that I am not restricted by cabinet solidarity, and we appreciate where the minister is coming from.

**Hon. Mr. Peterson:** You never will be.

**Mr. Runciman:** I want to have it put on the record that when I mentioned that I am not restricted by cabinet solidarity, the Premier indicated that I never would be.

Again, we are going to make a point of putting these interjections on the record because, let us

face it, Hansard does not pick these up. We are going to make sure that eventually the people of this province are going to get a message of what this Premier is all about and what this government is all about and where they are coming from.

I am saying, clean up your act in your dealings with the opposition, or we are going to have a very difficult three and a half or four years.

I think all of us here are trying to be constructive. We are trying to do the job we were elected to do. We are not trying to be obstructionist. We are not trying to delay the process. If we are treated fairly, we are going to treat the government fairly. That is certainly the feeling within our caucus, and I have to believe it is the feeling within the New Democratic Party caucus as well. We want a fair shake and we want to be treated in a decent, responsible fashion in the months and years ahead, or we are going to have a very difficult time.

I appreciate having had the opportunity to participate in this very important debate. I think the agreement not only impacts significantly on my riding in a very positive way—and that is what I have tried to convey here this afternoon—but also has a very positive impact on our province, and that is the message that is not getting out. I think the province is being hurt by the current government's stance, and it is certainly creating and further widening regional divisions in this country.

**Mr. Speaker:** You may wish to take note of the time.

**Mr. Runciman:** Mr. Speaker, I will take note of the time.

On motion by Mr. Runciman, the debate was adjourned.

#### BUSINESS OF THE HOUSE

**Hon. Mr. Conway:** I would like to indicate the business of the House for tomorrow.

On Thursday, December 31, there will be no private members' hour. Routine proceedings will commence at 10 a.m. After routine proceedings, we will debate the interim supply motion standing on the Orders and Notices in the name of the Treasurer (Mr. R. F. Nixon).

The House adjourned at 6:01 p.m.



**ALPHABETICAL LIST OF MEMBERS\***  
(130 seats)

First Session, 34th Parliament

**Lieutenant Governor: Hon. Lincoln M. Alexander, PC, QC**

- 
- |  |   |
|--|---|
| Adams, Peter (Peterborough L)  | <b>Fulton, Hon. Ed</b> , Minister of Transportation<br>(Scarborough East L)                   |
| Allen, Richard (Hamilton West NDP)   | Furlong, Allan W. (Durham Centre L)   |
| Ballinger, William G. (Durham-York L)  | <b>Grandmaître, Hon. Bernard C.</b> , Minister of<br>Revenue (Ottawa East L)                  |
| Beer, Charles (York North L)   | Grier, Ruth A. (Etobicoke-Lakeshore NDP)  |
| Black, Kenneth H. (Muskoka-Georgian Bay L)   | Haggerty, Ray (Niagara South L)   |
| Bossy, Maurice L. (Chatham-Kent L)   | Hampton, Howard (Rainy River NDP)   |
| <b>Bradley, Hon. James J.</b> , Minister of the<br>Environment (St. Catharines L)        | Harris, Michael D. (Nipissing PC)   |
| Brandt, Andrew S. (Sarnia PC)  | Hart, Christine E. (York East L)  |
| Breaugh, Michael J. (Oshawa NDP)   | Henderson, D. James (Etobicoke-Humber L)  |
| Brown, Michael A. (Algoma-Manitoulin L)  | <b>Hošek, Hon. Chaviva</b> , Minister of Housing<br>(Oakwood L)                               |
| Bryden, Marion (Beaches-Woodbine NDP)  | Jackson, Cameron (Burlington South PC)  |
| Callahan, Robert V. (Brampton South L)   | Johnson, Jack (Wellington PC)   |
| Campbell, Sterling (Sudbury L)   | Johnston, Richard F. (Scarborough West NDP)   |
| <b>Caplan, Hon. Elinor</b> , Minister of Health<br>(Oriole L)                            | Kanter, Ron (St. Andrew-St. Patrick L)  |
| Carrothers, Douglas A. (Oakville South L)  | <b>Kerrio, Hon. Vincent G.</b> , Minister of Natural<br>Resources (Niagara Falls L)           |
| Charlton, Brian A. (Hamilton Mountain NDP)   | Keyes, Kenneth A. (Kingston and The Islands L)  |
| Chiarelli, Robert (Ottawa West L)  | Kozyra, Taras B. (Port Arthur L)  |
| Cleary, John C. (Cornwall L)   | <b>Kwinter, Hon. Monte</b> , Minister of Industry,<br>Trade and Technology (Wilson Heights L) |
| Collins, Shirley (Wentworth East L)  | Laughren, Floyd (Nickel Belt NDP)   |
| <b>Conway, Hon. Sean G.</b> , Minister of Mines<br>(Renfrew North L)                     | LeBourdais, Linda (Etobicoke West L)  |
| Cooke, David R. (Kitchener L)  | Leone, Laureano (Downsview L)   |
| Cooke, David S. (Windsor-Riverside NDP)  | Lipsett, Ron (Grey L)   |
| Cordiano, Joseph (Lawrence L)  | Lupusella, Tony (Dovercourt L)  |
| Cousens, W. Donald (Markham PC)  | MacDonald, Keith (Prince Edward-Lennox L)   |
| Cureatz, Sam L. (Durham East PC)   | Mackenzie, Bob (Hamilton East NDP)  |
| <b>Curling, Hon. Alvin</b> , Minister of Skills<br>Development (Scarborough North L)     | Mahoney, Steven W. (Mississauga West L)   |
| Daigeler, Hans (Nepean L)  | <b>Mancini, Hon. Remo</b> , Minister without Port-<br>folio (Essex South L)                   |
| Dietsch, Michael M. (St. Catharines-Brock L)   | Marland, Margaret (Mississauga South PC)  |
| <b>Eakins, Hon. John F.</b> , Minister of Municipal<br>Affairs (Victoria-Haliburton L)   | Martel, Shelley (Sudbury East NDP)  |
| <b>Edighoffer, Hon. Hugh A.</b> , Speaker (Perth L)                                      | Matrundola, Gino (Willowdale L)   |
| Elliot, R. Walter (Halton North L)   | McCague, George R. (Simcoe West PC)   |
| <b>Elston, Hon. Murray J.</b> , Chairman of the<br>Management Board of Cabinet (Bruce L) | McClelland, Carman (Brampton North L)   |
| Epp, Herbert A. (Waterloo North L)   | McGuigan, James F. (Essex-Kent L)   |
| Eves, Ernie L. (Parry Sound PC)  | McGuinty, Dalton J. (Ottawa South L)  |
| Farnan, Michael (Cambridge NDP)  | McLean, Allan K. (Simcoe East PC)   |
| Faubert, Frank (Scarborough-Ellesmere L)   | <b>McLeod, Hon. Lyn</b> , Minister of Colleges and<br>Universities (Fort William L)           |
| Fawcett, Joan M. (Northumberland L)  | Miclash, Frank (Kenora L)   |
| Ferraro, Rick E. (Guelph L)  | Miller, Gordon I. (Norfolk L)   |
| Fleet, David (High Park-Swansea L)   | Morin, Gilles E. (Carleton East L)  |
| <b>Fontaine, Hon. René</b> , Minister of Northern<br>Development (Cochrane North L)      | Morin-Strom, Karl E. (Sault Ste. Marie NDP)   |

**Munro, Hon. Lily O.**, Minister of Culture and Communications (Hamilton Centre L)  
 Neumann, David E. (Brantford L)  
 Nicholas, Cindy (Scarborough Centre L)  
 Nixon, J. Bradford (York Mills L)  
**Nixon, Hon. Robert F.**, Deputy Premier, Treasurer of Ontario and Minister of Economics and Minister of Financial Institutions (Brant-Haldimand L)  
 Offer, Steven (Mississauga North L)  
**O'Neil, Hon. Hugh P.**, Minister of Tourism and Recreation (Quinte L)  
 O'Neill, Yvonne (Ottawa-Rideau L)  
 Owen, Bruce (Simcoe Centre L)  
**Patten, Hon. Richard**, Minister of Government Services (Ottawa Centre L)  
 Pelissero, Harry E. (Lincoln L)  
**Peterson, Hon. David R.**, Premier and President of the Council and Minister of Intergovernmental Affairs (London Centre L)  
 Philip, Ed (Etobicoke-Rexdale NDP)  
**Phillips, Hon. Gerry**, Minister of Citizenship (Scarborough-Agincourt L)  
 Poirier, Jean, Deputy Speaker and Chairman of the Committees of the Whole House (Prescott and Russell L)  
 Pollock, Jim (Hastings-Peterborough PC)  
 Polsinelli, Claudio (Yorkview L)  
 Poole, Dianne (Eglinton L)  
 Pope, Alan W. (Cochrane South PC)  
 Pouliot, Gilles (Lake Nipigon NDP)  
 Rae, Bob (York South NDP)  
**Ramsay, Hon. David**, Minister of Correctional Services (Timiskaming L)  
 Ray, Michael C. (Windsor-Walkerville L)  
 Reville, David (Riverdale NDP)  
 Reyecraft, Douglas R. (Middlesex L)  
**Riddell, Hon. Jack**, Minister of Agriculture and Food (Huron L)  
 Roberts, Marietta L. D., Deputy Chairman of the Committees of the Whole House (Elgin L)

Runciman, Robert W. (Leeds-Grenville PC)  
 Ruprecht, Tony (Parkdale L)  
**Scott, Hon. Ian G.**, Attorney General (St. George-St. David L)  
 Smith, David W. (Lambton L)  
**Smith, Hon. E. Joan**, Solicitor General (London South L)  
 Sola, John (Mississauga East L)  
**Sorbara, Hon. Gregory S.**, Minister of Labour (York Centre L)  
 South, Larry (Frontenac-Addington L)  
 Sterling, Norman W. (Carleton PC)  
 Stoner, Norah (Durham West L)  
 Sullivan, Barbara (Halton Centre L)  
 Swart, Mel (Welland-Thorold NDP)  
**Sweeney, Hon. John**, Minister of Community and Social Services (Kitchener-Wilmot L)  
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**Ward, Hon. Christopher C.**, Minister of Education (Wentworth North L)  
 Wildman, Bud (Algoma NDP)  
**Wilson, Hon. Mavis**, Minister without Portfolio (Dufferin-Peel L)  
 Wiseman, Douglas J. (Lanark-Renfrew PC)  
**Wong, Hon. Robert C.**, Minister of Energy (Fort York L)  
**Wrye, Hon. William**, Minister of Consumer and Commercial Relations (Windsor-Sandwich L)

\*The alphabetical list of members appears in each issue. Lists of the members of the executive council, parliamentary assistants and members of committees, brought up to date as necessary, are published in Hansard in the first and last issues of each session and on the first sitting day of each month.



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## Official Report of Debates

### Legislative Assembly of Ontario

**First Session, 34th Parliament**  
Thursday, December 31, 1987



Speaker: Honourable Hugh A. Edighoffer  
Clerk of the House: Claude L. DesRosiers



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# LEGISLATIVE ASSEMBLY OF ONTARIO

Thursday, December 31, 1987

The House met at 10 a.m.

Prayers.

## MEMBERS' STATEMENTS

### PLANT CLOSURES

**Mr. Mackenzie:** As we end the year, it becomes obvious that we have a few areas where this government has not lived up to its commitments: the issue of free trade and its position on it; the housing promises that were made, the educational promises that were made and labour legislation commitments that were made and have not been kept.

Thirteen hundred Firestone workers have less protection today than they might have had if the Peterson government had not reneged on a commitment to provide better plant closure legislation, which was in writing in the accord and which was not carried out.

Putting in place procedures that would require full information and public justification before a plant closure would allow both the workers and their communities a better chance to assess their future. It would likely allow other potential investors an opportunity to enter discussions on the plant's future, and it certainly would prevent workers from being dangled on a string and allowed false hopes over the future of their jobs, as happened for so many months to the workers at Firestone.

It is pretty obvious that after-the-fact promises of lots of dollars are no substitute for a clear rule of corporate conduct in Ontario that could be assisted with plant closure legislation. I think workers have to be considered as an important part of the plant's operation, just as important as any corporate decision at rationalization, and must be treated accordingly, much more fairly than they are now in Ontario.

### HYDROGEN

**Mr. Runciman:** A federal report titled Hydrogen: National Mission for Canada has recently been released and details how hydrogen is a key energy alternative of the future. Of the various provincial governments which reviewed this report, only Ontario did not support it. In fact,

this shortsighted Liberal government has dismantled the Hydrogen Institute of Ontario.

Press reports this month indicate that the BMW motor car company of West Germany will be testing a hydrogen-engine vehicle by the late 1990s, and the head of BMW's technical department says, "Hydrogen is our future."

Ontario has the opportunity to get in on the ground floor in the development of hydrogen technology but it is ignoring the opportunity. Is it not better to own the technology of a new age than to pay licence fees to someone else?

Hydrogen research in Ontario is now at a standstill. I suggest an immediate commitment of research and development dollars, which will make Ontario the leader in a Canadian hydrogen program which will change the world.

### AUTO PACT

**Mr. Dietsch:** Despite what we have heard in this House from the third party, the auto pact is not free trade. The auto pact is managed trade, a pattern of governmentally managed and approved trading rules directed to manufacturing and the tradeoff of motor vehicles and parts.

Since its creation 22 years ago, the auto pact has been highly successful; not in its early years, I might add, but certainly in its later years. The auto industry provides 112,000 jobs to Ontarians and in particular 25,000 jobs in the Niagara region. Seventeen per cent of the province's jobs are auto related.

The auto pact was working. We have a trade surplus overall in excess of \$400 billion. Brian Mulroney cannot stand that. The auto pact is not broken, but Brian wants to fix it. To a large part, Ontario's economy and St. Catharines-Brock depend on the auto industry. A downturn in the auto industry will be felt across Ontario's economy, and in particular it will hit hard the riding I represent, St. Catharines-Brock. It is important that we get behind the Premier (Mr. Peterson) and let Brian Mulroney know that the jobs in the auto trade are not for sale.

### ENVIRONMENTAL ISSUES IN RIVERDALE

**Mr. Reville:** The Ministry of the Environment has its work cut out for itself in the one riding of



Riverdale alone in 1988. Although 70 properties have had their soil replaced and the lead is now safely out of those properties, there are 330 more properties to go, and that is just within the designated zone. I have reason to believe that other properties in Riverdale are also heavily contaminated with lead, and the Ministry of the Environment is going to have to look sharp to deal with that.

We have the largest single emitter of dioxin in Ontario in Riverdale, which is Metro's Commissioners Street incinerator. It needs to be closed. There are two proposals for garbage-burning incinerators in the south part of my riding. They should not occur. The Minister of the Environment (Mr. Bradley) should declare a moratorium on energy-from-waste plants, particularly in ecologically fragile zones such as Riverdale.

Ashbridges Bay, which is a sewage treatment plant, continues to pump polychlorinated biphenyls and dioxins into our atmosphere. The Leslie Street spit is being landfilled with contaminated soil and contaminated dredgeate from the Keating Channel, which is the mouth of the Don River. Odours and emissions from industrial operations, including two rendering plants, continue to assail the nostrils and the sensibilities of my constituents. Perhaps the entire Ministry of the Environment should go to work in Riverdale in 1988.

#### WILDLIFE MANAGEMENT

**Mr. Pollock:** Yesterday, I asked the Minister of Natural Resources (Mr. Kerrio) if he had budgeted money to feed the deer if it turned out to be a severe winter. He stated that he had not; however, if the situation warranted he would find the money, which would mean that he would take the money away from another branch of his ministry.

He also stated that there were more deer; in fact, more of everything. The reason there are more deer is that the government of the day in the 1970s allowed hunting of those only by special permit and that has allowed the deer population to increase ever since.

The Progressive Conservative government of the early 1980s traded some moose to the state of Michigan for wild turkeys and as a result of that we were able to have a turkey hunt in eastern Ontario.

As far as more fish are concerned, the commercial fishermen claimed that their quota had been cut. In 1980 in Algonquin region, ice fishing was banned on nine lakes and also banned in the lakes in Algonquin Park. That certainly

does not indicate to me more of everything, as the minister claims.

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#### DEPOSITS ON MAJOR PURCHASES

**Mr. Elliot:** I would like to make a statement on behalf of a constituent of mine and a manufacturer of fine-quality furniture located here in Toronto.

I have here a copy of a cheque for \$15.87 made out in the name of my constituent. It is a refund cheque for a \$200 deposit she made on a recliner chair valued at \$788. The policy of Erin Mills Interiors, a retail furniture outlet which went bankrupt last fall, was that custom-made furniture required a deposit of at least 25 per cent of the retail value or the purchase price.

Unsecured creditors in that bankruptcy obtained an 8.733 per cent return, less the five per cent charged by the executor of the bankruptcy. Consequently, my constituent received \$15.87 for her \$200 deposit. I understand the chair was custom-made by Vogel of Canada, a manufacturing firm located in Weston.

Both my constituent and the chair manufacturer have been disadvantaged in this situation. It is my suggestion that both could have been better served if deposits for large-ticket items like this one were put in a trust account to be repaid to the purchaser or to the manufacturer should the retailer go bankrupt.

Some car dealerships and all real estate companies now follow this procedure with deposits made by clients. Since the average purchaser cannot readily determine the viability of retail outlets, it seems to me that fewer bankruptcies would occur if this happened.

#### ORAL QUESTIONS

##### SHELTER FOR THE HOMELESS

**Mr. Reville:** I have a question for the Minister of Housing. The minister will probably know that this is the last day of the International Year of Shelter for the Homeless. To mark the meaning of that year, Emmett Cardinal Carter has leapt into the housing crisis and has indicated that each of the parishes in the Roman Catholic archdiocese of Toronto should find a unit of housing so that part of the housing crisis may be addressed. I wonder if the generous gesture of the cardinal will inspire the minister to get involved in the housing crisis as well.

**Hon. Ms. Hošek:** I would like to wish the member opposite a very happy new year and to remind him that one of the things this government has accomplished is to make a significant



impact in the situation of homeless people through the program that we announced just a number of weeks ago.

At the time that announcement was made, one of the things we made very clear was that we were responding to the statements by the activists and community workers who have been working with homeless people for a very long time. Our approach to the problem has been very much in keeping with the kinds of advice that they gave us.

We therefore committed a significant number of funds to the provision of permanent housing for people who are currently homeless. We also will be giving funds to the various community groups who have been working actively to help people who are currently homeless and who are wandering in the shelter system to have permanent housing.

**Mr. Reville:** I wonder if the minister will tell the House, then, that the supply program that her ministry will be delivering over the next few years will in fact be larger than the oft-repeated 102,000 units that we have heard about over and over.

**Hon. Ms. Hošek:** I would like to assure the member opposite that our commitment to providing permanent shelter for homeless people, the program that was announced, is in addition to the commitment we had made previously for the supply of housing.

**Mr. Reville:** That is very good news to hear. I wonder if the minister will share with the House, then, what the number is now. Is it 110,000? And will this new number in fact make a dent in the number of homeless, underhoused and doubled-up people who live in the province?

**Hon. Ms. Hošek:** The new program is targeting anywhere from 400 to 600 permanent housing units for people who are currently homeless. The method that we have used in this one is primarily to use buildings that are already existing and to renovate buildings, because that will work much more quickly than building from the ground up. That is a first step in providing more housing for homeless people and is much quicker than building new housing. Of course, the additional housing that we have already promised all along will be there as well.

**Mr. D. S. Cooke:** Mr. Speaker, I have a question for the Minister of the Environment (Mr. Bradley). Since he is not here, could I ask for your consent to set down our second leadoff question until he arrives?

**Mr. Speaker:** Is there agreement?

Agreed to.

#### PRA INTERNATIONAL INC.

**Mr. Brandt:** My question is to the Premier and it is with respect to an investment made by the government of Ontario.

Five months after the Premier took office, there was an investment made by IDEA Corp. in a firm known as PRA International in the great riding of London, Ontario. Three months after this particular investment had been made, he scrapped IDEA Corp.

In light of the fact that \$1.5 million, virtually the entire investment that was made by the government in this particular firm, has been lost, I wonder why the Premier, in light of the fact that the government was talking about scrapping IDEA Corp. for a period of almost a half a year prior to this investment being made, would proceed with this investment. Now it appears that the investment is a totally lost cause to the taxpayers of Ontario.

**Hon. Mr. Peterson:** I do not know the details of the specific investment made by IDEA Corp. and I will gladly look into the matter that the honourable member has raised, but I think I should clear up perhaps one misconception.

There were no approvals by government required. Perhaps that was one of the problems inherent therein. IDEA Corp., as set up by the member's government, was a completely independent group. It had independent capacity to spend and to invest. So there were no approvals coming back through cabinet committees or, indeed, to cabinet. Presumably, this was an investment made by that independent board of directors, struck by and appointed by that member's government. There is no question that when we came in, we implemented an immediate review which led to the winding up of IDEA Corp.

So I cannot tell the member why the independent board chaired by Ian Macdonald made that investment, but I will try to check it out and share the information with my honourable friend.

**Mr. Brandt:** Surely the Premier would accept responsibility for the fact that a corporation under the control of his government at the time this investment was made invested some \$1.5 million in a London firm which ultimately resulted in the loss of that money.

Would it not seem reasonable to expect that his Minister of Industry, Trade and Technology at that particular time would monitor this investment and would find some way of protecting the



interests of the Ontario taxpayers, recognizing in this high-tech firm, which was involved in laser technology, that because it was very questionable technology and ran with it some risks—which I admit is what IDEA Corp. was all about in terms of taking some speculative chances; I do not object to that. I think there is a role for government in that particular area. But why would his government not monitor—

**Mr. Speaker:** Question?

**Mr. Brandt:** I am giving my question as long as I can so that the minister can give the Premier the answer, so I will continue to talk until the Minister of Industry, Trade and Technology (Mr. Kwinter) is done, and then we can carry on.

**Mr. Speaker:** Question?

**Mr. Brandt:** In any event, my question to the Premier very simply is, why would he not monitor this investment, why would the minister's staff not monitor this investment in order to make sure that what ultimately happened—namely, the assets and the patents—

**Mr. Speaker:** Order. The question has been asked.

**Hon. Mr. Peterson:** Again I will check out the details of the question the member raises, but again, this was an independent corporation. It was making investments after there was that change of government. It did not come and ask the advice of the government. It was one of the things that concerned us, very frankly. It was not just this investment, but there were others as well that my honourable friend will be aware of. If there were some salvage, obviously one would try to take advantage of that. I do not know if there was, but again I will share it with my friend.

1020

**Mr. Brandt:** It appears in this particular instance that whatever assets were left in this firm, PRA International, went to the banks and the patents and whatever other limited assets there were ended up in the United States with the parent company.

Will the Premier give an undertaking in this House that he will disclose all the details relative to PRA International? I also ask the Premier to report back to the House—I do not expect that he will have the answer to this now—as to whether or not, as has been the case with Wyda Systems and other investments made on the part of the government, there will in fact be an investigation carried out as to what happened and what went wrong with this particular investment.

A final determination by the Premier I would like him to share with us at some future point is

whether or not he intends to undertake an OPP investigation on this matter to see if, in fact, the taxpayers of Ontario were protected to the extent that they should have been.

**Hon. Mr. Peterson:** I say to my honourable friend that I honestly believe he is entitled to all the details of this particular transaction, and I will try to get to the bottom of it.

I frankly do not know what kind of security was taken—the member tells me it was a \$1.5-million loan or grant—whether it was a share purchase, whether it was a subordinated kind of security, whether it came in behind the banks or what kind of hold they had on the assets.

I will inquire into what kind of deal they made. If in fact they had some kind of floating debenture, a security on the assets, and that disappeared, that would obviously give us some concern. I do not know the nature and quality of that particular investment, but I take my honourable friend's point very seriously. I will undertake to get all those details and share them with him, and we will make sure there was no impropriety or, we hope, lack of judgement in this case, although I cannot give him an assurance on any of that at the moment.

#### IDEA CORP.

**Mr. Harris:** I find it passing strange, given the history of IDEA Corp., given the history of what went on in this House over the last couple of years and given the problems we have had with a number of companies—I mention Graham Software and the Wyda corporation—that the Premier (Mr. Peterson) is not aware of what is going on and what other potential foulups there are.

I think most astute observers would say that the then Minister of Industry, Trade and Technology, under questioning at the time both in the standing committee on public accounts and in this House, fouled this up; he did not protect Ontario's interests.

We also know that more than merit went into the awarding of money by the IDEA Corp., whether it was through share purchase, grants or loans, and I find it hard to believe that the Premier is not aware of a loan, right in his own backyard to a company right in London, to do with the IDEA Corp.

The minister said in June that there were 33 of these under investigation. Is the Premier aware, or has the former minister or the current minister ever made him aware, of the potential liability of Ontario for 31—we had only two, now three, and there are still another 29 or 30 sitting out there—



**Mr. Speaker:** Order. The question has been asked.

**Hon. Mr. Peterson:** I was not aware of this particular loan to PRA in London. My honourable friend thinks I should be aware. I think my honourable friend would be aware, as he was part of the executive council, presumably, that created IDEA Corp., that it was set up to be independent and that in fact there was no political interference.

I say to my honourable friend I find it passing strange that his government created IDEA Corp., which was a boondoggle from the beginning. His government went through management problems, it went through a number of ministers, it went through a number of executives. It was an ill-conceived idea that did not go anywhere.

I say to my honourable friend as frankly as I can, the one regret I have is that we did not kill it the day we came in. We gave it an honourable review. There were certain things that were in the mill when we came in, and the board functioned with those things that were already in the mill. I say to my friend, it was a mistake; it was an embarrassment for the government and particularly an embarrassment for the Conservatives.

**Mr. Harris:** When we are talking about Wyda, about Graham Software or about this company, the embarrassment came after the Liberals came into power.

Interjections.

**Mr. Harris:** I can understand the Premier saying now, "I wish we had scrapped it as soon as we came in, before all these people found ways to obviously abuse it." It did not take them long, once they took power, to figure out ways to abuse it.

**Mr. Speaker:** Supplementary.

**Mr. Harris:** I said it was passing strange that we have had Ontario Provincial Police investigations into Wyda that have been buried and covered up now for about two years. The Liberals are through the election; they got it covered up there. We ask time and time again, when are we going to get details on Wyda, when are we going to get details on Graham Software, when are we going to get the OPP investigation on PEC Financial Corp.?

How long is the Premier going to cover these up? Does he not think that information will be helpful in preventing future ones? There are still another 29 out there and they are all being bungled by his government or his ministry or one of the departments in there.

**Mr. Speaker:** The question has been asked.

**Hon. Mr. Peterson:** I am not sure; was there a question in the middle of that diatribe somewhere or other?

I say to my honourable friend, believe me, this government has nothing to cover up and nothing to hide. We are very anxious to share all of that information. It is quite obvious mistakes were made along the way. As I said to my honourable friend, as I understand the progression of IDEA, some things had been in the mill prior to the election in 1985, and they were dealing with those matters. I do not know if PEC was in that particular circumstance. But I say to my friend, when all the investigations are done—and there are some OPP investigations—all the facts that are proper to be shared will be shared with the member and other members of the public.

Believe me, I think this thing should have a thorough and complete airing. We can see how IDEA—perhaps it was a good idea at the time—turned out to be such a boondoggle. We had to inherit this mess and clean it up as best we possibly could, just like a lot of other messes, frankly, like Suncor, the Urban Transportation Development Corp. and a lot of other things we inherited. You can look back and flog the past or you can do the best you can with a miserable situation. My theory is, when you are handed a lemon, make lemonade.

**Mr. Harris:** While the Premier is telling the taxpayers to suck lemons, there appear to be a lot of companies with connections to his party that have done very well off IDEA Corp. They are getting the lemonade, the sweet stuff; the taxpayers are getting the raw lemons.

Interjections.

**Mr. Harris:** No, I thought it was pretty good; I will still stand by it.

The OPP investigations on Wyda, for some reasons or other, have taken over two years. I do not want to question the OPP, but let me ask the Premier; he says we will get those in due time.

**Hon. Mr. Bradley:** You are questioning the OPP.

**Mr. Harris:** No, I am not. I am questioning when we are going to get them. Maybe we should have a report on when we are going to get them. We have not asked this question for a while.

**Mr. Jackson:** It is in the briefing notes.

**Mr. Harris:** Is it in the briefing notes? Let me ask the Premier about something he has hidden and covered up and has control over. The Biddell report on the IDEA Corp. has still not been released. Biddell said last June in the committee



hearings that he had tabled his report on February 11. We are getting close to a year. We still have not seen the Biddell report. The minister at the time said it was only a draft; Biddell said: "I'm finished. I'm not doing any more. That's it."

**Mr. Speaker:** Question.

**Mr. Harris:** Can the Premier tell us when he is going to release the Biddell report on the IDEA Corp.?

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**Hon. Mr. Peterson:** Since this may be the last opportunity I have today to be on my feet—at least with any luck that may be the case—may I take this opportunity to wish all my colleagues in the Legislature a very happy new year. I hope that they have a nice party with their friends tonight and that it will sweeten their disposition a little bit so they will not be quite as sour when we come back next week to continue our discussion.

That being said, there are a number of investigations into various aspects of the IDEA Corp., as my honourable friend knows, which has been subject to considerable discussion in the House. It is my view that all of this should be made public when it is completed and we have a full picture on the situation.

An inventory is being done of all of the investments. Salvage is being implemented where possible. There are certain suggestions of fraud in certain areas. Some arrests have been made. Search warrants have been made. Some of these are international problems, as the member knows. We have executed untold search warrants in Ontario and New Jersey for banking records. It is a very complicated thing. We are trying to wind this up as best we can and salvage what we can for the taxpayers. It is a most regrettable situation.

I again say to my honourable friend, it should all be there for him to pass judgement on. The people of this province will pass judgement on it, and they will probably pass a very harsh judgement on those who created this corporation that has caused so many problems for this province.

May I just say in conclusion, a very happy new year to my honourable colleague, and I look forward to seeing him in the new year with a sweet disposition.

**Mr. Speaker:** We will now revert to the second question of the opposition.

#### WATER QUALITY

**Mr. D. S. Cooke:** I have a question of the Minister of the Environment. Considering the

fact that there are about 40 minutes left in question period, this could be the last question for 1987, and it certainly will not be coming too soon.

My question relates to drinking water in Ontario. On November 25, 1985, the minister said, referring to my colleague the member for Etobicoke-Lakeshore (Mrs. Grier), and I quote, "The member may or may not be aware that for some time now our ministry has been working on what we call a drinking-water strategy." Could the minister indicate to us at what stage that drinking-water strategy is and when it is going to be implemented in Ontario?

**Hon. Mr. Bradley:** It certainly is well along the way, as the member may know, because I know he has followed the environmental issues in his specific area with some degree of interest, as have the others who represent the Windsor area. He has had a focus of attention down there.

The drinking-water strategy consists of many components. I consider the most important, and I think I have reiterated this on many occasions in the House, to be getting at the sources of pollution which gets into the waterways of the province. The main thrust of this, of course, is a somewhat revolutionary and certainly very advanced program referred to as the municipal-industrial strategy for abatement, which people in the field would know as MISA.

When I was at the national conference of the ministers of the environment across the country, they were very interested in this program because they recognize that the first stage is the extensive monitoring to determine exactly what is getting into our waterways. The second stage is the actual abatement of it. We will have, in fact, standards in place.

Interjections.

**Mr. Speaker:** Order. I took particular note of the opening comment by the member for Windsor-Riverside. I did not want that to happen, so I will ask for a supplementary.

**Mr. D. S. Cooke:** Mr. Speaker, I assure you it is not the minister's answer that has inspired me to ask a supplementary; it is our prayers at the beginning of the session that asked for inspiration.

The minister will be aware that the Science Council of Canada recently released a report, and I quote from a newspaper article on that report that says:

"A looming environmental crisis indicates a scale and depth of disaster far exceeding any met by earlier generations. If pollution keeps increasing, people in southern Ontario will have to use



boiled water for drinking, cooking and cleaning teeth, warns a draft report and discussion paper."

Since this is one of many reports that have come out that indicate a disaster is approaching us in terms of our drinking water in Ontario, especially those people living along the Great Lakes, when is the minister going to stop talking and actually introduce a safe-water policy in Ontario?

**Hon. Mr. Bradley:** I think the member, who follows these matters very carefully in the House, would know that in fact action is under way. I can recall yesterday there was a press release that came out, for instance, that dealt with the Humber area of Toronto and over \$4 million, I believe it was, that was devoted to that particular project to improve the effluent.

Right across Ontario he will find this is happening. In his own area of Windsor, for instance, we initiated a new program to deal with septic tanks in that area. There is a particular problem in certain parts of Windsor in the old area that is serviced almost exclusively by septic tanks. We have an accelerated program to get people off septic tanks and on to proper sewage treatment systems. That is a very important program, and his was one of the few communities which was able to benefit from it.

In addition to that, his community had only 15 per cent maximum available before for such projects as sewage treatment plants. They now have available up to 33 per cent from the provincial government—zero from the federal government—right in his own constituency.

In addition to that, of course, I announced in June 1987, and the money is already flowing for this, the LifeLines program where the province pays up to 50 per cent of the cost of determining the precise problem and 33 per cent for the municipalities, with the money right on the table, waiting for the feds. Zero was available under the previous government for the LifeLines program. Now there is 33 per cent on the table to take advantage of it. All of this will improve the water quality in this province under our jurisdiction.

We cannot control the other jurisdictions that go into the Great Lakes, but we are doing our job in controlling and working hard to improve the water quality.

**Mr. Speaker:** Thank you.

**Mr. D. S. Cooke:** Of course, the money that was sent down towards my area was because of my close personal relationship with the Treasurer (Mr. R. F. Nixon) and the fact that I was a very effective lobbyist. That is the only reason we got it.

The minister will be aware that my colleague and our environmental critic for the New Democratic Party reintroduced the safe-drinking-water bill on November 14. Would the minister not agree that her approach, a legislative approach, is also necessary in Ontario? When is he going to endorse that bill and proceed with it?

**Hon. Mr. Bradley:** As the member would know, I think the House on many occasions has expressed its general agreement with bills of this kind which are brought before the House. It is one thing to put it in legislation, to have a bill you can wave around Ontario, and it is another thing to deliver on a program.

Our approach has been to put into effect specific programs which are designed to make the water cleaner and to determine the problem. We have a drinking-water surveillance program that the member made reference to, for instance. Most of the communities in Ontario are now covered by that. The program shows that our drinking water meets the standards of Ontario, those standards established by medical or toxicological experts. It shows that we have time to address the problems which are being brought to our attention.

Now that we measure in parts per quadrillion, of course, we are able to detect these trace amounts of contaminants in the waterways. This is good. I am often criticized for that. I think it is important to have that information available because it gives us a lead time to deal with those problems.

The Treasurer has provided for the Ministry of the Environment over the last two years a 27 per cent increase in the allocation of money. In addition to that, we have seen water quality improvements in many municipal projects which have been very beneficial to the people of this province. I think when we have the MISA program in full effect—remember it was a three-year period there—

**Mr. Speaker:** Thank you.

## INCOME TAX

**Mr. Mackenzie:** I have a question for the Treasurer. Recent Statistics Canada figures indicate that in 1985 some 5,978 Canadians earning more than \$50,000 and 165 of them who earn more than \$250,000 paid no taxes at all. Can the Treasurer tell us if he has a handle on this for Ontario and what he is prepared to do to correct this unfairness?

**Hon. R. F. Nixon:** The federal government has introduced a minimum tax for personal income tax, which means that everybody will be



caught in that net to some extent, and since we have a taxation collection agreement with the government of Canada, we will benefit to that extent.

As you know, Mr. Speaker, we have placed a three per cent surcharge on all incomes over \$50,000, so we have reinforced our income potential, at least, from the upper end of the income spectrum by that surcharge. At the same time, we have more than balanced it with an attempt to remove from the taxation rolls an increasing number of people from the lower end of the income spectrum.

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**Mr. Mackenzie:** Taking taxpayers off the rolls who earn less than the poverty level would probably cost us about \$100 million in Ontario. Can the Treasurer tell us if he is prepared to take a look at closing the loopholes on a provincial basis to the extent we can and at a minimum tax that will make these people pay taxes, so we can subsequently be able to take an increased number of people below the poverty level off the tax rolls?

**Hon. R. F. Nixon:** I think it should be understood that the people who have high reported gross incomes and are not paying taxes are not evading tax. There is nothing illegal about the process that is being undertaken. There are procedures over years which the member himself may have made use of to reduce personal income tax as long as the money is being spent, for example, on registered retirement savings plans, which would account for at least a small percentage of that amount, and so on.

We believe in a fair and equitable tax system and we know that the result of the changes the Minister of Finance is bringing about in legislation that should be before Parliament in the next few weeks will reduce the take from personal income taxes by just under \$500 million in Ontario.

As we come up to our budget preparation procedures, we are going to be looking at that very carefully. The member has indicated that to remove everybody under the poverty level of \$21,000 a year for a family of four from the tax system would cost \$100 million in forgone revenues. We have increased the number removed from the rolls year by year and I hope we can continue with that program.

#### TORONTO AREA TRANSPORTATION

**Mrs. Marland:** My question was for the Minister of Transportation (Mr. Fulton), who is

ill, I understand. In his absence I would like to address it to the Premier.

As I have the opportunity, I would also like, on behalf of our Progressive Conservative caucus, to extend best wishes for 1988 to all our colleagues in the Legislature, for health, happiness and success in our endeavours. I would like to assure the Premier that there really was not anything wrong with our dispositions when he gave us his good wishes. We are a small but very strong caucus with good dispositions.

**Mr. Speaker:** Question?

**Mrs. Marland:** This morning I was speaking to a friend of all of us in this Legislature, who happens to be the greatest mayor and leader of any municipality in Ontario, Mayor Hazel McCallion from the city of Mississauga. She shares with me a concern about transportation corridors from the west.

The Provincial Auditor has identified in his report that the regional allocation of funds needs some reassessment. In particular, he used as an example the slow and inefficient expansion of the Queen Elizabeth Way. He said that is because of the current method of allocating project funds among regions.

**Mr. Speaker:** Question?

**Mrs. Marland:** He said in essence that the serious overcapacity problem on the QEW will not be rectified for the next 15 years. I wonder if the Premier could direct the Minister of Transportation to commit funds to immediately resolve that congestion problem. Also, does he know of any solution that might—

**Mr. Speaker:** Order. The question has been asked.

**Hon. Mr. Peterson:** I thank the member for her good wishes. I appreciate her compliments to the great mayor of Mississauga, as well.

I appreciate the member's suggestion. There are problems, as she rightly points out. I will convey her thoughts on the matter to the Minister of Transportation, just as I will convey the thoughts of her interim leader that all the money should go to the Sheppard line.

I will convey those two different points of view to the Minister of Transportation and I am sure that he, unlike others, will be able to reconcile the two and come up with a solution that is satisfactory to all members of the great Metropolitan area.

**Mrs. Marland:** The situation is not either/or vis-à-vis Sheppard and Eglinton. The region of Peel has an average growth in excess of 20,000 and, obviously, the solution to the Queen



Elizabeth Way is not the only solution we are looking for from the government.

In the light of the expected decision not to proceed with the Sheppard line, would the Premier consider the very realistic need of the Eglinton line in the west end? This is a system which could link with the expanded GO Transit service on the Milton line; it would go a long way to resolve the problems from the western area in transportation. Would he consider that kind of direction?

**Hon. Mr. Peterson:** If I may, I will also convey that view of the member to the Minister of Transportation. I can tell her he is looking at all of these questions. As my honourable friend will be aware, there is a finite number of dollars available in the entire area of transportation. We do have problems in the Metropolitan area; there is no question about that. That is why a co-ordinated review is looking at the matter.

We have achieved, I think, a degree of co-operation of all the various modes of transportation that we had not been able to achieve in the past. It is something for which I am very grateful. In the not-too-distant future, some very hard choices are going to have to be made. We are going to have to reconcile, for example, the priorities on subway lines: the Eglinton line that my honourable friend speaks of versus the view of some that the Sheppard line is a higher priority.

There are others who believe it should perhaps be put in roads, the Queen Elizabeth Way, or certain of the train-track routes that exist currently. There are others who believe we should just cut the deficit and not spend anything on roads. I think that is the view of the member's Treasury critic, who would not want to do anything in that particular regard. There are others who sit there and gloat and say they have all the money for Highway 407 and nothing else matters.

This government, and I say this respectfully, has to take a holistic view. It has to be concerned with the future needs of the people of Ontario. It has to look at all those needs and prioritize them in the most sensitive and effective way it possibly can. It has to think of the future and do that in a financially responsible—

**Mr. Speaker:** Order. That is a very complete answer.

#### ACID RAIN

**Mr. Black:** I know all members of this assembly share the concerns I feel about the impact of acid rain. We know as a group that the

damage being done to the buildings, the lakes and rivers and the forests of this province will likely be the single biggest problem we will face as we enter the 1990s. It is an issue that is of particular importance in my riding.

**Mr. Speaker:** To which minister are you placing your question?

**Mr. Black:** I am going to address my question to the Minister of the Environment, who will answer it, I know, in his usual concise fashion. Will he inform this assembly whether there was any discussion of environmental issues in general and, more specifically, on sulphur dioxide emissions during the recent trade discussions which took place between Canada and the United States?

**Hon. Mr. Bradley:** To my knowledge, and I have discussed this with a number of people who are expert in the field, the discussions that took place directly related to the trade agreement between Canada and the United States did not, in fact, include a discussion of the environmental implications of this.

There was one concern that was expressed, and all members of the House would be concerned about this. That was our fear that while those discussions were going on, we were not pressing our case as strongly as we might have. We were very tolerant of the President of the United States in his suggestions that there should be more studies, that it would take a longer time and that there might be some kind of vague agreement.

When the specific discussions took place between the two countries, between the two negotiators over free trade, I do not think, from the knowledge I have, there was a discussion of the environmental implications. I can certainly indicate that there would be environmental implications.

1050

**Mr. Black:** I am both puzzled and concerned. For several days, in fact for several weeks now, my friends across the House have been urging my friends in the back benches here to lend their support to the proposed bilateral trade agreement. At the same time, we know that the record of the Progressive Conservative Party on environmental issues has been one that speaks for itself over 42 years of Tory rule. The record is written on the same blank pages that the member for Burlington South (Mr. Jackson) talked about earlier this week. I find it impossible to believe that we could be asked to support legislation



which, in fact, does not deal with environmental issues.

I have a supplementary question to the minister. Is he really telling this House that although the trade issue was the primary concern, an agreement which also addressed social issues, health issues and a number of issues did not address environmental issues?

**Hon. Mr. Bradley:** That in fact is the case. The concern that arises from this that I think my friends on the other side of the House would have is those environmental implications, because they would agree—particularly the interim leader of the third party, having been the Minister of the Environment—that we in Ontario, on a general basis, have much stricter laws than most of the states in the United States as they relate to environmental issues.

**Mr. Brandt:** How about nitrogen oxide?

**Hon. Mr. Bradley:** That is federal, of course. In the federal case, the member is quite right, the Progressive Conservative government has not moved quickly enough on nitrogen oxide.

The concern is that our industries are already saying to us: “Now that we have free trade, of course our laws are much stricter. How can you apply these much stricter laws that we have in Ontario when the border is going to be wide open, when we have to compete head to head with our American friends?”

They are also saying: “What about programs such as the federal-provincial acid rain program, which allowed for financial assistance to the smelters in this province and in other provinces dealing with acid rain abatement? Is that program going to be declared illegal under the free trade agreement?”

#### BEEF FARMERS

**Mr. Hampton:** My question is for the Minister of Agriculture and Food. I hope this is the last question he has to deal with in the House this year.

A couple of weeks ago I asked the minister when he is going to release the report of the bull test study committee, which dealt with the economic losses incurred by a number of beef farmers in the province. At that time, he answered that the manufacturer of the product may well be challenged in the courts and therefore he wanted to wait on the report.

I have reviewed the terms of reference of the bull test study committee, and I note in looking at it that possibly two of them might deal with the liability of the company which produces the feed. The other six terms of reference are fairly

general: “To investigate the incidence of bloat in bulls at Ontario bull test stations,” etc.

Why does he not at least release those parts of the report which do not necessarily refer to the liability of the manufacturer of the product? Why does he not release the details of the report dealing with the other six terms of reference, which probably would not involve the manufacturer at all?

**Hon. Mr. Riddell:** I do not profess to be a lawyer, but on the advice of our solicitor, due to the fact that there could be a third-party liability in this matter, it is suggested that the report not be released at this time.

**Mr. Hampton:** Six of the terms of reference are very general. The minister has told me on three separate questions now, again referring to the manufacturer, that he does not want to say anything or he does not want to get involved. If the minister is so concerned about the manufacturer at this point in time, who is looking after the welfare of beef farmers in this province? They want to know some of this information. They have sustained fairly heavy economic losses, they are having problems carrying them and they want to know generally what the report says. The minister has had it for two months.

**Hon. Mr. Riddell:** This government and this minister always look after the welfare of the farmers of this province. I am anxiously awaiting a question as to what this province is doing because I am ready with an answer. I do not know whether it is going to come or not.

I think the member should be aware that those farmers who had bulls in the bull test stations are compensated for losses. Once bulls reach the bull test stations, if there is a loss after that time, the farmers are compensated. Furthermore, they are not charged for the feed that the bulls have eaten up to the time when they—

**Mr. Jackson:** Are you a hands-on minister in this case? Are you one of those hands-on ministers in this case?

**Hon. Mr. Riddell:** There is compensation. I have to tell the member that is no bull.

#### ONTARIO STOCK YARDS

**Mr. Villeneuve:** I have a question to the Minister of Agriculture and Food, and he will not need a solicitor to tell the bull from the not bull.

Does he intend to further subsidize the Toronto stockyards?

**Hon. Mr. Riddell:** We intend to render some financial assistance to the stockyards based on a number of conditions. They have to submit an



annual report to us showing us just exactly how their business is doing and showing what they expect their business to do over the next two or three years. Any assistance will be purely on an annual basis until we are able to establish whether indeed they are going to be able to make a profitable business over the next two or three years.

**Mr. Villeneuve:** I gather then that the minister will be providing ongoing financial support for the Toronto stockyards. As he knows, they operate under federal regulations. All other stockyards and livestock handling facilities in Ontario operate under provincial regulations. Will the minister provide to those other livestock handlers the same type of support on a per animal basis that he will to the Toronto stockyards?

**Hon. Mr. Riddell:** I would not say that I am going to render that kind of support. I think the member will find that the other community sales somewhat rely on the Ontario Stock Yards for setting the price. Yes, I have received the same letters as the member has. I have talked to them on a personal basis. That is what the member ought to do once in a while. When he gets a letter, he should go talk to them. He may get a little more reason by talking to them eyeball to eyeball.

They know. They do not expect that this government is going to compensate them for a business which in most cases is a viable business and one which has relied on the Ontario Stock Yards over the years to set the price. It has been the price-setting mechanism up to this point in time. Whether that will continue remains to be seen. Any assistance that we render to the stockyards will be purely on an annual basis and we will be checking their books very closely.

#### DOMINICAN REPUBLIC RESORT

**Mr. Fleet:** I have a question for the Minister of Consumer and Commercial Relations. I wish to raise the strong concerns of some of my constituents who have plans to travel to the Dominican Republic in the coming weeks. Recent media articles have indicated problems in particular with the Bavaro Beach Gardens Hotel in Punta Cana where certain of my constituents are supposed to stay. Can the minister inform me and this House of the status of this particular situation?

**Hon. Mr. Wrye:** Certainly members will be pleased to be in the city and in this Legislature this week as opposed to being at the Bavaro Beach Gardens Hotel, if the press reports are true.

**Mr. Ferraro:** I don't know about that.

**Hon. Mr. Wrye:** My friend the member for Guelph (Mr. Ferraro) may want to go and see the difference.

**Mr. Jackson:** Rick wants to know if we can put that to a vote.

1100

**Hon. Mr. Wrye:** Tell my friend the flight leaves in a day.

There has been an awful problem for several hundred people who bought a Christmastime package through Alba Tours, Touram and Regent. They have gone to a hotel which supposedly had a newly built wing, which is basically not completed.

We have advised those three tour companies to immediately cancel the tours which I believe were scheduled to depart today or tomorrow from Toronto, and the latest report I have is that they will all comply with this very strongly worded request.

We have further indicated through the registrar of travel that the tours of these three companies or any other to the Bavaro Beach Gardens Hotel and to the new wing of that hotel should not take place until we have absolute assurance that the construction, which was supposed to be completed before Christmas, has indeed been completed.

**Mr. Fleet:** There have been media reports this morning which indicated that all travel to the Dominican Republic has been stopped. Could the minister verify this statement and also tell me what advice he might have for travellers who find themselves with this particular problem?

**Hon. Mr. Wrye:** I heard the same report on one of the Toronto radio stations this morning, indicating that there had been a ban on travel to the Dominican Republic. I should make it very clear that the request has been put to stop all tours to the new wing of the Bavaro Beach Gardens Hotel.

There are indeed some people from Toronto—and I know my friend from Burlington would want them to know this—who were to take a tour today or tomorrow to the older wing of that same hotel, and we have been given assurances that tour can depart and that indeed those people will be properly housed.

I would suggest to all travellers who are headed for that particular hotel that they check immediately with their travel agents and insist and receive assurances that they will be properly accommodated when they arrive in the Dominican Republic, so that this unfortunate occurrence does not happen to any more than the 300 who



have had this very unfortunate occurrence happen to them during the Christmas season.

### DISTRICT COURT

**Mr. Hampton:** My question is for the Attorney General. He no doubt has read the Zuber commission report, which recommends quite far-reaching restructuring of the courts. One of the recommendations was that the district court be phased out of existence and that many of the existing district court judges would be moved up to the Supreme Court level and also some of the existing district court judges would be allowed to sit until they retire.

The Attorney General has had this report for some time, and people across the province, the legal community and district court judges for sure, wonder what the Attorney General plans to do in following up Mr. Justice Zuber's recommendations.

**Hon. Mr. Scott:** I want to thank the honourable member for his question. I know he is very interested in this subject.

I also want to congratulate him on the determined effort he is making on behalf of his party to hold this question period together. While the four extinct volcanoes adjacent to him lie there awaiting the commencement of the holiday season and wondering what they are going to do about this free trade debate, he has been asking question after question of minister after minister in order to give this exercise some punch. If that carries on into the new year, the bad news is that he may end up as leader of his party.

I know the honourable member is interested in the Zuber commission report. I have had occasion to have a brief discussion with him about it. Since the report was delivered to us, we have had an opportunity to have a number of groups come in to the ministry and discuss its ramifications. District court judges are, of course, one of the groups who are not happy with the proposal that Mr. Justice Zuber has made.

I anticipate being able to respond very early in the new year, after government policy has been determined with respect to that particular recommendation.

**Mr. Hampton:** As is often said, we speak to many of the same people the Attorney General speaks to. We receive information from trial lawyers, we receive information from district court judges who are quite concerned about this.

The Attorney General has, again, had the report since July. There is quite a bit of concern out there among various communities as to what is going to happen. Can the Attorney General

give us some indication of when in the new year and exactly how he is going to proceed on this? Is there going to be more consultation? Is there going to be some sort of follow-up? If so, can he give us some indication what it is?

**Hon. Mr. Scott:** It is no secret that every other province in Canada, with the exception of British Columbia and Ontario, has moved to a two-trial-level system over the last decade or so. The Zuber commission recommends that and it seems to me inevitable, certainly based on the consultations I have had, that the bar and those who are consumers in the justice system support that recommendation.

The issue that the district court judges raise is how that is going to be achieved, whether it is going to be achieved through merger or through a division of their numbers among the two remaining courts, the superior court and the provincial court. It is a difficult practical question, because the change has to be made while the courts carry on their normal business; but I anticipate that next year—and next year is not that far away—I will be able to tell the honourable member how he should answer the questions that his groups bring to him.

### FACILITY FOR YOUNG OFFENDERS

**Mr. Runciman:** My question is for the minister of corrections, sometimes referred to as the convert in corrections. I want to ask him about the Young Offenders Act facility that was announced for Brockville. A secure Young Offenders Act facility was announced a little over two years ago and nothing has happened, even though his predecessor, the member for Kingston and The Islands (Mr. Keyes), indicated during the recent election campaign that Brockville was the proper site that would proceed. Now the Minister of Correctional Services is continuing to delay this, I think for partisan reasons. Can he indicate to the House today when he is going to proceed with that much-needed facility?

**Hon. Mr. Ramsay:** I would like to say to the honourable member across the way that what I have done is reassess all the facilities we have across Ontario. What I want to do, and we are doing this at this time, is embark upon a program of improving all the facilities we have. Instead of building more jails, what I want to do is improve what we have.

We have in eastern Ontario facilities that are very adequate. We are adding on and renovating YOA facilities in many of the eastern Ontario areas. Right now, eastern Ontario is very well served for young offenders.



**Mr. Runciman:** While the minister was not even aware of the situation until I brought it to his attention a month or so ago, now he is saying the situation is fine, there is no problem. I want to tell him we have talked to police chiefs throughout eastern Ontario and we are facing a real crisis in terms of accommodation for young offenders aged 16 to 18. We talked to the chiefs in Kingston, Smiths Falls, Brockville and Kemptville. They are facing a real crisis and the minister is not addressing that crisis, for purely political reasons. The Liberals do not hold that riding, so he does not want to go ahead with that facility.

**Mr. Speaker:** The question is?

**Mr. Runciman:** When is the minister going to take a look at the situation, admit he is facing a real crisis and get on with the job?

**Hon. Mr. Ramsay:** I have to beg to differ with the member across the way. I will be at an official opening in February in eastern Ontario, in Cobourg, at Brookside Youth Centre, where we have converted cottages that we got from the Ministry of Community and Social Services, an old reform school, into a first-rate facility that is going to be number one in any jurisdiction in North America. We are continuing with upgrading our facilities and I think we have the best facilities in North America for our offender population.

1110

#### SCHOOL FUNDING

**Mr. Mahoney:** It is my privilege to ask what would appear at least to be the last question for the Liberal Party for 1987 in this House, if not the entire House. My question is to the Minister of Education. I would like to tell him that the Peel Board of Education and the Dufferin-Peel Roman Catholic Separate School Board are experiencing growth at an unprecedented rate. There are many sites in Mississauga with 25 to 30 portables on site. High schools are bursting at the seams. Elementary kids in many areas are bused long distances to spend their days in portables and eat their lunch on the floor.

This is the legacy that has been left by people like Dr. Bette Stephenson and the Honourable Bill Davis; they are known in my community as the fathers and mothers of underfunding. Can the minister tell this House how he plans to correct this unacceptable situation? Will he provide capital funds for new schools while, at the same time accommodating smaller class sizes, day care, junior kindergarten and other programs that may come along?

**Hon. Mr. Ward:** I say to my friend the member for Mississauga West that the ministry does recognize the severe difficulties that those communities experiencing rapid growth are enduring in terms of school facilities. I am pleased to indicate to the member that this year \$226 million will be made available. Most of that money will be earmarked for growth areas. That is an increase of some 50 per cent over the figure established last year and some 300 per cent over the figure established in 1985 by the previous government.

**Mr. Mahoney:** Given the pressures of growth in Peel and one or two other regions the minister has referred to, will the minister consider special funding status for the capital needs in high growth areas to try and correct the mess that has been created in the past?

**Hon. Mr. Ward:** I want to assure the member that indeed the high growth areas in the province, among which the region of Peel is included, do have additional funds earmarked to accommodate their needs. It is expected that early in the spring the announcements of the allocation of those funds will be made.

#### USE OF TIME IN QUESTION PERIOD

**Mr. McCague:** On a point of order, Mr. Speaker: I respectfully suggest that you might convene a meeting of the House leaders early in 1988 to see if you cannot do something about the length of the questions and answers in this House. I checked this with you. You timed one yesterday where the member for Hamilton West (Mr. Allen) and the Premier (Mr. Peterson) had an exchange which was a second over 10 minutes. It was very closely rivalled by our House leader, the member for Nipissing (Mr. Harris), who took about nine minutes today on one question.

It has nothing to do with the government, the opposition or our party. I think we could make it much more productive. I am not sure what the Attorney General (Mr. Scott) was saying today as he started off, but I think he was saying about the same thing as I am saying. Respectfully, Mr. Speaker, you might convene a meeting and see if we could not make this a little more crisp.

**Mr. Speaker:** I appreciate the suggestion the member has made. I have tried the best I have been able to try to keep the questions and responses as pertinent as possible. I will certainly take it into consideration.

#### STANDING ORDERS

Hon. Mr. Conway moved that the provisional standing orders be extended to remain in effect until 12 midnight on Wednesday, June 1, 1988.



Motion agreed to.

## ORDERS OF THE DAY

### INTERIM SUPPLY

Mr. Polsinelli, on behalf of Hon. R. F. Nixon, moved resolution 7:

That the Treasurer of Ontario be authorized to pay the salaries of the civil servants and other necessary payments pending the voting of supply for the period commencing January 1, 1988, and ending April 15, 1988, such payments to be charged to the proper appropriation following the voting of supply.

**Mr. Polsinelli:** Members will know that interim supply is a routine motion that comes before the House at regular intervals. The last one was presented by the Treasurer (Mr. R. F. Nixon) on December 1 and gave the government the authority to spend its money until December 31. At that time the Treasurer indicated that before Christmas he would be coming back to this House for a motion granting the government the authority to make transfer payments and spend this money to the middle of April. Unfortunately, because of certain events that occurred, that could not be done before Christmas and is being done today.

Members will also know that if this motion is not passed today, then there will be severe repercussions. I understand that on January 1 there is a commitment of about \$10 million for rent for government occupancy in 1,300 payments, and on January 4, which is Monday, the municipalities expect 125 payments of roughly \$35 million. That goes on to, I believe, January 5, when school boards expect payments of about \$75 million, etc.

We hope the House will pass this motion today.

**Mr. Harris:** It is unfortunate that the Treasurer is not here. I do not know if he is coming back or when he plans to come back. The parliamentary assistant is giving all the urgent reasons why this should be passed. We have talked about this for a period of time. It is rather disgraceful to leave a matter of this importance when you are talking the many, many billions of dollars that are involved, when you are talking—

**Hon. Mr. Kerrio:** It interrupted your filibustering, didn't it?

**Mr. Harris:** No, we have asked for this to be called for the last three weeks.

**Hon. Mr. Kerrio:** I say it interrupted your filibuster.

**Mr. Harris:** Well, the member for Niagara Falls (Mr. Kerrio) has got into trouble before with his silly interjections. It is quite the contrary to what the member for Niagara Falls says. He says it has interrupted our filibuster. It has not caused us any problem at all: (a) it is not a filibuster; and (b) we have been calling for this resolution to be called for the last three weeks so that we would have the appropriate amount of time to comment on it and to comment on the problems that we see occurring with this government.

You know, we are talking about estimates. This is the first time in the history of this Legislature that there will be so few hours of estimates done, because this government refused to deal with them. They talk about the amount of time that the opposition parties have provided the government for legislation. All the committee time through the spring since the budget, any time throughout the summer, then the campaign, and then all of the time right up until the last few weeks has been given to the government to deal with legislation, and very little time has been spent on estimates or on examining not only the budgetary policy of this government but also the way it spends and loses money.

So with respect to the parliamentary assistant's remarks, which I assume the Treasurer gave to him to read in his absence—so now I can redirect my criticism to the Treasurer himself—I would say, yes, there is some urgency for some of the bills to be paid. I question how many staff will be in here writing cheques tomorrow, on January 1—perhaps there will be staff in here doing that—or on January 2, Saturday, or on January 3, Sunday. Presumably, if this were passed on January 4, that would cover any of the cheques that went out, although it is very uncomfortable for the Treasurer not to know and—

1120

**Hon. R. F. Nixon:** No.

**Mr. Harris:** Well, it is. The Treasurer will know that it is a problem when he does not have the supply motion through.

We would have preferred this to have been called several weeks ago. We would have preferred a little more time, without the pressure of not only the members who may wish to speak to this wanting to be home for New Year's Eve with their constituents, let alone their families. I guess the other pressure that is put on the members who want to speak is not on behalf of themselves. I am quite content to get home a little later. My wife can do all the things that I find difficult to do. She does all the difficult tasks and



all the difficult chores, gets all the things ready and runs all my little errands for me. She will have the driveway shovelled.

**Hon. R. F. Nixon:** Throw out the Christmas tree.

**Mr. Harris:** The Christmas tree will be thrown out, as the Treasurer points out, and actually, it is an advantage for me to show up at the last minute on these occasions because I just get pleasure and I do not have to do all the chores.

I do want to say that the additional pressure is that there are other members of this Legislature who, I know, may have more difficult travel arrangements than I do; some, as a matter of fact, who have no scheduled air service into their home town, as in the Ottawa Valley ridings, and who have to drive home. There is that pressure that has been put on a huge number of members I know from the New Democratic Party who wanted to speak on interim supply; and of course, just about every member of our party wanted to speak on interim supply as well.

I have copious notes here. It is difficult for me to know where to start, but with the time restraints that have been placed on me—

**Mr. Fleet:** Cut to the last paragraph.

**Mr. Harris:** My colleague and chief adviser on financial matters in our caucus has suggested to me that, when in doubt, do not start.

**Hon. R. F. Nixon:** Margaret Marland. Hear, hear.

**Mr. Harris:** I understand the message he is giving me and what he is saying, because I have volumes of material that point out the waste not only in the control of expenditures but in the way this government expends money.

**Mr. Runciman:** No wonder the Chairman of Management Board (Mr. Elston) is in here. He's reading the Toronto Star.

**Mr. Harris:** Well, that is right; he is in here instead of controlling them.

I also want to indicate that several members of the executive council have alluded to the fact that the critic for our party, the member for Nipissing—me—wants to see a balanced budget, wants to see expenditures cut and would also like to see a reduced level of taxation. That is quite true; I admit to that. When they talk about various projects and various programs, every single program that is brought up, or any of the worthwhile programs—I mean, I am the first to admit that, of the \$35 billion, some of it is well spent; some of it is necessary and some of it should be spent and should be budgeted in those areas.

However, when you get \$9 billion—close to \$10 billion now, I guess—in additional revenue in less than three years since this party has taken over the government, \$5 billion or \$6 billion well in excess of inflation, there is a lot of room there. When they assumed office coming out of a recession—or a depression, some called it—there was about a \$2-billion deficit that they were faced with. I am not going to go into all the notes and all the columnists that slammed the Treasurer, but I do want to put a couple of things on the record in the limited time constraints that I am under.

Of that extra \$5 billion or \$6 billion, in what even the Treasurer has acknowledged have been the best economic times this province has had and will likely ever have, surely the first \$2 billion should have reduced or eliminated the deficit. That still leaves them all the existing programs, inflation on all the existing programs, with another \$3 billion or \$4 billion left to bring in new initiatives, if that is the way they want to spend the money. There are some who would argue that perhaps the debt should be paid down a little bit in good times.

I do not apologize for the statements I have made. I am one who feels it is an absolute disgrace that over the past three years we have not had a balanced budget; that, in fact, the debt should have been reduced.

It is a staggering figure. I want to make quick reference to a couple of little things. On page 28 of the 1987 financial report of Ontario, it shows the accumulated debt going from \$41 billion to almost \$43 billion, \$41,093,000,000 to \$42,889,000,000, so that there is roughly a \$1.88-billion increase this year in the total debt of this province at a time of staggering growth and at a time of the staggering increased revenues this Treasurer has.

The other difficulty I see is that he has taken taxation levels, particularly in his first budget and then followed up with some in ensuing budgets, to a critically high level in this province. If everything clicks, if everything is booming and everything is going well, that amount of money and that level of taxation can be extracted from the economy without shutting it down; but at the slightest downturn, at the slightest change in economic activity, that level of taxation will be very high and will be unbearable.

At the same time, we will be looking at a need for programs to help people who cannot help themselves. I think it is strange that in good times, when things are going well, welfare payments are still going up, the social services



budget is still going up, that all those programs designed to share the wealth during difficult times are going up in excess of inflation during good times. I find that totally contrary to any responsible budgetary policy for any organization or company, let alone for a government.

I know from the Treasurer's background that he shares that view. He cannot fess up to it, he cannot admit it, because it is his Premier (Mr. Peterson) and the direction of his party that has caused him this great problem.

In granting this supply, I call on the Treasurer, who is surely contemplating a new budget as we go home for New Year's tonight, who will probably be going home worrying about his budget tonight—

**Hon. Mr. Bradley:** He's going to Earl's Shell.

**Mr. Harris:** Doggone it, I will say that if he had listened to the boys there: I know he goes there and I know he hears them, but he does not listen to them and he does not take their advice. I think if he did, he would be far better off than with the advice he gets from the Premier and from all the people who were mentioned by the member for Leeds-Grenville (Mr. Runciman) yesterday who give the advice to this party. I do not want to repeat them all, but I am sure they are influencing what has happened to the Treasurer as well.

But I would ask him as he is contemplating the next budget to reflect on what has happened in Ontario over the last few years, to reflect on government spending far in excess of inflation. We are looking at government spending, averaged over the three years, of over 10 per cent a year. At the same time, inflation in those years runs in the range of four to five per cent.

**1130**

I am the first to acknowledge that a lot of our transfer agencies were squeezed during the early 1980s. They were squeezed when times were difficult and when times were good. Perhaps it is appropriate to catch up and flow them some money, but to flow all of it and to flow it into the new programs the Treasurer has taken is really not responsible.

The other thing that is interesting is that they keep using the transfer agencies. They say the municipalities were squeezed, the school boards were squeezed, the hospitals were squeezed, the universities were squeezed. If one looks at the transfer payments that were made to all those institutions, they are far less than the increase in government spending itself. We look at transfer payments in the area of six, seven and eight per

cent, yet we look at government revenues coming in the range of 10, 11 and 12 per cent. And we look at total government expenditures far in excess of the transfer agency expenditures, so that is not a valid excuse for what has occurred.

The taxation levels are at a critically high level. I think this was indicated when the federal government talked about increasing tax on tobacco and liquor. The Treasurer squealed like a stuck pig, "Gee, I was kind of counting on being able to grab a little more money there myself." He is fast running out of areas where he can get more money, because we are at that very high level in almost all categories of our taxation.

I would ask him to reflect on that. I would ask him to reflect on the massive increase in government expenditures. I would ask him to reflect on the massive increase in new programs. I would ask him to reflect on whether, particularly when we have a government that is going to bring in new program after new program, we ought to get into a more serious look at reviewing existing programs, whether they are effective, whether sunset legislation should be brought in for, perhaps, every program on the books. There are far too many programs that are not given a good look as to whether they may have been relevant in 1978; or they may have been brought in in 1981 to serve a particular problem, but are they still relevant today?

Rather than some of the work that the committees of this Legislature are carrying on—and the Treasurer knows we are looking at reorganizing the estimates process and the House schedule, we are looking at parliamentary reform in those areas. I wonder whether some of the things our committees spend time on ought not be better spent reviewing some of the many programs that have been on the books for years, reviewing whether they are indeed relevant. Are we getting value for money out of those programs any longer? I think of programs such as Renterprise, the Huang and Danczkay Ltd. building. You can say whatever you want, but surely Renterprise was never designed to flow money that way.

I look at some of the grant programs, and somebody some time will take my comments and say: "Harris doesn't agree with the Northern Ontario Development Corp. There is an industry in his riding that got a grant." I will tell members that I encourage every industry in my riding to take every nickel the government offers. I tell them, "Don't expand until you check with the federal government and the provincial govern-



ment to see what they will give you, whether you need it or not."

It is my job to make sure, because if they do not get it somebody else gets it, and a company would be foolish not to take that money. But I must tell the members honestly that I really wonder how many of the expansions, even in my riding of Nipissing, the new buildings, the new construction, would have gone on without the grants. We have to take a look at those programs, and take a look in a very serious way, to see whether we are just throwing government money away.

The other thing on those programs, while I am on that, is the desire for governments to get statistics on the number of jobs created. Everybody knows this now; the accountants know it and the consultants know it. When you approach the government for money, even if it is better to have more efficient equipment that will mean you will survive in the long run, you are better to go in with a higher number of jobs created.

If you have somebody who is going to manufacture product A and can do it inefficiently with 20 employees as opposed to efficiently with, say, 10 employees by modernizing and buying the most up-to-date technology, I really question who gets the grant if there are two companies. It is the one who has the 20 jobs, because he is going to create 20 jobs.

Then that civil servant can add into the pool of statistics, pass it on, and the government says: "Isn't that wonderful? This program"—whatever it was—"has created this number of jobs." We should be looking at those programs to find out if we are getting value for money. In my opinion, we may not be.

I mentioned in the estimates, on which I had one day with the Treasurer, my concern as well with some of the tourism initiatives. There is not a hotel or a motel in northern Ontario that will add a room, renovate, upgrade or expand without applying for a tourism loan, because it is there. Are we getting value for money on those loans? I think we should look at that.

I know there will be some who will throw it back and say, "Harris wants to cancel tourism loans." I am not saying that. I am saying that we should look at whether we are getting value for money. If we spend \$5 million in tourism in my riding on hotels and motels, how many of them would have added on anyway? Could we have taken that \$5 million and built a major attraction on Nipissing's waterfront? Would that not have increased tourism far more substantially? It would have allowed the private sector to put its

own money into rooms, into upgrading, into new hotels, into those facilities. I think that is something this government should be looking at as well.

Not only should we be looking at some programs—and I used examples in my own backyard for a very good reason: to tell members that I am serious about it—should we not be looking at programs for industry and for tourism? Do they make sense any more? Are we getting value for money? Could the money be spent in other areas more effectively?

I do not know what we are going to offer Firestone. I guess somebody from Hamilton might pick up my remarks some time and say, "Harris is against jobs for Hamilton." Of course I am not against jobs for Hamilton; I am not against trying to salvage Firestone. But at what point do we stop? We hear now that the Premier has given the Ministry of Industry, Trade and Technology pretty well carte blanche to go to the United States and offer this firm any amount of money it takes. I wonder how seriously they really look at how much is going to be spent there.

I think these programs have to be looked at to see if they are relevant, to see if the money should be spent in other ways. When a new program comes on stream, it is unfortunate we are not reviewing some of the older ones that are there. I ask the Treasurer to reflect on some form of more serious sunset review of existing programs.

The amendment that I proposed to the Employee Share Ownership program was accepted by the government. That was to have a mandatory review in five years of that program. I will be proposing those kinds of amendments to every new program that is brought in that comes through the Legislature, but I think the Treasurer and the government itself should be looking at some of those that I have no input into or say on.

I ask the Treasurer to consider those things as he looks at what I think is an abysmal record over three years, disguised and hidden under the very buoyant and booming economic activity that we have had in this province in the three years, to look seriously at the suggestions that I offer.

I have several more hours of wonderful suggestions and ideas for the Treasurer, which, because of when he has chosen to call this particular resolution, I will save for another day and another opportunity. In the spirit of generosity and the good mood that I have been in since September 10 and the high esteem and enjoyment that I receive out of this Legislature and the fun that I have here, that is my New Year's present to



the Treasurer and to everybody else in the House.

1140

**Mr. Mackenzie:** I have just a very brief comment to the Treasurer. It has always had me wondering a bit in this House how it is that year after year—and this year is probably the worst example—we end up voting interim supply, as we do several times, at the end of the year or on the last day of the year, to cover the next three and a half months in the Legislature. When we look at any challenging we are supposed to do of the various ministries and take a look at the estimates, we find there is a total of five of the 20 or 30 ministries that have been dealt with in terms of the estimates.

It is not meant as a direct criticism. It is just that I think there is something wrong with our procedures in handling this matter in the House. It may be that it is time we take a look at how we handle the estimates or what the role is and why we really are voting the money long after we should have taken a look at the expenditures of the various ministries.

**Hon. R. F. Nixon:** I would like to thank the member for Yorkview (Mr. Polsinelli), the parliamentary assistant to the Treasury, for introducing this resolution in my absence and for indicating the requirements for these moneys. I think it is generally estimated that about \$10 billion will be spent under the authority of the resolution.

I also appreciate the comments made by the opposition spokesmen. The member for Hamilton East (Mr. Mackenzie) and the member for Nipissing (Mr. Harris) agreed that we ought to give further consideration, probably more effective consideration, to how we might deal with the consideration of the estimates when the Legislature does return at about the time when we might expect a new budget within a month or six weeks, something like that, and I totally agree.

I think if we can make the consideration of the estimates more significant and meaningful for all the members of the Legislature, we will not only be doing a good job for our own state of mental health but also, and far more important, of course, be using the judgement and experience of the members of the Legislature to do a better job in our taxation policy, in our fiscal controls and in the establishment of programs. The idea of reviewing old programs is, of course, what we must do, and we must do it better than we have. So I concur entirely with that, and I hope that this will be a fruitful year coming up in improving that procedure.

The argument given by the honourable member for Hamilton East that we have only reviewed five ministries is true, but he is aware that with an election and a truncated session, at least to this period of time it was not possible to do more. But I think if we get down to what might be a more routine and generally plannable procedure in the House for 1988, we will all be able to do a better job in that regard.

The member for Nipissing expressed his concern about the deficit levels, and many people in the province, including the Treasurer, consider that a matter of importance as well. The most recent figures available to me indicate that our total provincial debt, excluding Hydro, is now 13.6 per cent of the gross provincial product. This compares with 14.8 per cent three years ago, so this is a statistic that is an indication of an improvement at least.

**Mr. Harris:** How does it compare to six or seven years ago?

**Hon. Mr. Nixon:** Actually seven years ago, it was 15.4 per cent.

**Hon. Mr. Riddell:** And the Tories were in power at that time.

**Mr. Harris:** It is six or eight—

**Hon. Mr. Nixon:** I know, whatever. There was probably a time, going back 44 years, when it was better.

I just want to say that all of us would like to be able to pay off all our bills, including capital costs, with the regular revenues provided by the tax base. But I say again to the honourable members that when we undertake such substantial capital programs year by year for schools and hospitals, roads, environmental programs and such matters, it does not make much sense that the tax level ought to be so high that we could pay for those capital costs in the year in which they are installed out of our general revenues. If you were running any kind of a business, you would be very fortunate indeed if you were able to do that.

I do not really think that any of us here should apologize for the fact that the provincial debt is designed to allow those capital projects to be built when the province needs them, sometimes a lot later than needed in the opinion of some members of the Legislature, and that the costs of those are spread out over a number of years.

One response is, "We're loading the next generation with those costs;" but we are also providing it with the schools and the roads and the hospitals and the facilities to produce electrical energy which is the basis of the strength

of the fabric of this province. I hope that we can do better, but I would say to members that we are doing very well indeed and I do not feel that we should be seriously apologetic for that.

As a matter of fact, our cash requirements are as low as they have been at any time in the last number of years and we have projections, which we have already placed before the Legislature, indicating that we expect the rate of expansion of our economy to level out somewhat in the coming fiscal year and that we have to plan our government operations accordingly.

I appreciate the fact that the honourable members, at this late date in 1987, have indicated that they are prepared to grant the government interim supply and I will look forward to discussing these matters on many more occasions in the year coming up. I wish the honourable members the very best of 1988.

Motion agreed to.

#### BUSINESS OF THE HOUSE

**Hon. Mr. Conway:** I would like to indicate the business of the House for the coming week.

On Monday, January 4; Tuesday, January 5; Wednesday, January 6, and Thursday, January 7, we will be continuing the debate on government motion 8, standing in the name of the Minister of Industry, Trade and Technology (Mr. Kwinter).

On Thursday morning, we will consider private members' business standing in the names of Mr. Cureatz and Mr. Daigeler.

By agreement of the whips, committees will not sit next week and any additional business will be announced by the agreement of the House leaders.

Before moving the adjournment of the House, Mr. Speaker, I too would like to take this opportunity to wish all members a very happy new year and to thank you and members of the House staff for your particular support and assistance this week. May everyone have a very good New Year's weekend. With those comments, I am pleased to move the adjournment of the House.

The House adjourned at 11:48 a.m.



**ALPHABETICAL LIST OF MEMBERS\***  
(130 seats)

First Session, 34th Parliament

**Lieutenant Governor: Hon. Lincoln M. Alexander, PC, QC**

---

Adams, Peter (Peterborough L)	<b>Fulton, Hon. Ed</b> , Minister of Transportation (Scarborough East L)
Allen, Richard (Hamilton West NDP)	Furlong, Allan W. (Durham Centre L)
Ballinger, William G. (Durham-York L)	<b>Grandmaitre, Hon. Bernard C.</b> , Minister of Revenue (Ottawa East L)
Beer, Charles (York North L)	Grier, Ruth A. (Etobicoke-Lakeshore NDP)
Black, Kenneth H. (Muskoka-Georgian Bay L)	Haggerty, Ray (Niagara South L)
Bossy, Maurice L. (Chatham-Kent L)	Hampton, Howard (Rainy River NDP)
<b>Bradley, Hon. James J.</b> , Minister of the Environment (St. Catharines L)	Harris, Michael D. (Nipissing PC)
Brandt, Andrew S. (Sarnia PC)	Hart, Christine E. (York East L)
Breaugh, Michael J. (Oshawa NDP)	Henderson, D. James (Etobicoke-Humber L)
Brown, Michael A. (Algoma-Manitoulin L)	<b>Hošek, Hon. Chaviva</b> , Minister of Housing (Oakwood L)
Bryden, Marion (Beaches-Woodbine NDP)	Jackson, Cameron (Burlington South PC)
Callahan, Robert V. (Brampton South L)	Johnson, Jack (Wellington PC)
Campbell, Sterling (Sudbury L)	Johnston, Richard F. (Scarborough West NDP)
<b>Caplan, Hon. Elinor</b> , Minister of Health (Oriole L)	Kanter, Ron (St. Andrew-St. Patrick L)
Carrothers, Douglas A. (Oakville South L)	<b>Kerrio, Hon. Vincent G.</b> , Minister of Natural Resources (Niagara Falls L)
Charlton, Brian A. (Hamilton Mountain NDP)	Keyes, Kenneth A. (Kingston and The Islands L)
Chiarelli, Robert (Ottawa West L)	Kozyra, Taras B. (Port Arthur L)
Cleary, John C. (Cornwall L)	<b>Kwinter, Hon. Monte</b> , Minister of Industry, Trade and Technology (Wilson Heights L)
Collins, Shirley (Wentworth East L)	Laughren, Floyd (Nickel Belt NDP)
<b>Conway, Hon. Sean G.</b> , Minister of Mines (Renfrew North L)	LeBourdais, Linda (Etobicoke West L)
Cooke, David R. (Kitchener L)	Leone, Laureano (Downsview L)
Cooke, David S. (Windsor-Riverside NDP)	Lipsett, Ron (Grey L)
Cordiano, Joseph (Lawrence L)	Lupusella, Tony (Dovercourt L)
Cousens, W. Donald (Markham PC)	MacDonald, Keith (Prince Edward-Lennox L)
Cureatz, Sam L. (Durham East PC)	Mackenzie, Bob (Hamilton East NDP)
<b>Curling, Hon. Alvin</b> , Minister of Skills Development (Scarborough North L)	Mahoney, Steven W. (Mississauga West L)
Daigeler, Hans (Nepean L)	<b>Mancini, Hon. Remo</b> , Minister without Port- folio (Essex South L)
Dietsch, Michael M. (St. Catharines-Brock L)	Marland, Margaret (Mississauga South PC)
<b>Eakins, Hon. John F.</b> , Minister of Municipal Affairs (Victoria-Haliburton L)	Martel, Shelley (Sudbury East NDP)
<b>Edighoffer, Hon. Hugh A.</b> , Speaker (Perth L)	Matrundola, Gino (Willowdale L)
Elliot, R. Walter (Halton North L)	McCague, George R. (Simcoe West PC)
<b>Elston, Hon. Murray J.</b> , Chairman of the Management Board of Cabinet (Bruce L)	McClelland, Carman (Brampton North L)
Epp, Herbert A. (Waterloo North L)	McGuigan, James F. (Essex-Kent L)
Eves, Ernie L. (Parry Sound PC)	McGuinty, Dalton J. (Ottawa South L)
Farnan, Michael (Cambridge NDP)	McLean, Allan K. (Simcoe East PC)
Faubert, Frank (Scarborough-Ellesmere L)	<b>McLeod, Hon. Lyn</b> , Minister of Colleges and Universities (Fort William L)
Fawcett, Joan M. (Northumberland L)	Miclash, Frank (Kenora L)
Ferraro, Rick E. (Guelph L)	Miller, Gordon I. (Norfolk L)
Fleet, David (High Park-Swansea L)	Morin, Gilles E. (Carleton East L)
<b>Fontaine, Hon. René</b> , Minister of Northern Development (Cochrane North L)	Morin-Strom, Karl E. (Sault Ste. Marie NDP)

**Munro, Hon. Lily O.**, Minister of Culture and Communications (Hamilton Centre L)  
 Neumann, David E. (Brantford L)  
 Nicholas, Cindy (Scarborough Centre L)  
 Nixon, J. Bradford (York Mills L)  
**Nixon, Hon. Robert F.**, Deputy Premier, Treasurer of Ontario and Minister of Economics and Minister of Financial Institutions (Brant-Haldimand L)  
 Offer, Steven (Mississauga North L)  
**O'Neil, Hon. Hugh P.**, Minister of Tourism and Recreation (Quinte L)  
 O'Neill, Yvonne (Ottawa-Rideau L)  
 Owen, Bruce (Simcoe Centre L)  
**Patten, Hon. Richard**, Minister of Government Services (Ottawa Centre L)  
 Pelissero, Harry E. (Lincoln L)  
**Peterson, Hon. David R.**, Premier and President of the Council and Minister of Intergovernmental Affairs (London Centre L)  
 Philip, Ed (Etobicoke-Rexdale NDP)  
**Phillips, Hon. Gerry**, Minister of Citizenship (Scarborough-Agincourt L)  
 Poirier, Jean, Deputy Speaker and Chairman of the Committees of the Whole House (Prescott and Russell L)  
 Pollock, Jim (Hastings-Peterborough PC)  
 Polsinelli, Claudio (Yorkview L)  
 Poole, Dianne (Eglinton L)  
 Pope, Alan W. (Cochrane South PC)  
 Pouliot, Gilles (Lake Nipigon NDP)  
 Rae, Bob (York South NDP)  
**Ramsay, Hon. David**, Minister of Correctional Services (Timiskaming L)  
 Ray, Michael C. (Windsor-Walkerville L)  
 Reville, David (Riverdale NDP)  
 Reyecraft, Douglas R. (Middlesex L)  
**Riddell, Hon. Jack**, Minister of Agriculture and Food (Huron L)  
 Roberts, Marietta L. D., Deputy Chairman of the Committees of the Whole House (Elgin L)

Runciman, Robert W. (Leeds-Grenville PC)  
 Ruprecht, Tony (Parkdale L)  
**Scott, Hon. Ian G.**, Attorney General (St. George-St. David L)  
 Smith, David W. (Lambton L)  
**Smith, Hon. E. Joan**, Solicitor General (London South L)  
 Sola, John (Mississauga East L)  
**Sorbara, Hon. Gregory S.**, Minister of Labour (York Centre L)  
 South, Larry (Frontenac-Addington L)  
 Sterling, Norman W. (Carleton PC)  
 Stoner, Norah (Durham West L)  
 Sullivan, Barbara (Halton Centre L)  
 Swart, Mel (Welland-Thorold NDP)  
**Sweeney, Hon. John**, Minister of Community and Social Services (Kitchener-Wilmot L)  
 Tatham, Charlie (Oxford L)  
 Van Horne, Ronald G. (London North L)  
 Velshi, Murad (Don Mills L)  
 Villeneuve, Noble (Stormont, Dundas and Glengarry PC)  
**Ward, Hon. Christopher C.**, Minister of Education (Wentworth North L)  
 Wildman, Bud (Algoma NDP)  
**Wilson, Hon. Mavis**, Minister without Portfolio (Dufferin-Peel L)  
 Wiseman, Douglas J. (Lanark-Renfrew PC)  
**Wong, Hon. Robert C.**, Minister of Energy (Fort York L)  
**Wrye, Hon. William**, Minister of Consumer and Commercial Relations (Windsor-Sandwich L)

\*The alphabetical list of members appears in each issue. Lists of the members of the executive council, parliamentary assistants and members of committees, brought up to date as necessary, are published in Hansard in the first and last issues of each session and on the first sitting day of each month.



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## Official Report of Debates

### Legislative Assembly of Ontario

**First Session, 34th Parliament**  
Monday, January 4, 1988

Speaker: Honourable Hugh A. Edighoffer  
Clerk of the House: Claude L. DesRosiers



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# LEGISLATIVE ASSEMBLY OF ONTARIO

Monday, January 4, 1988

The House met at 1:30 p.m.

Prayers.

## WRIT OF ELECTION

**Mr. Speaker:** I beg to inform the House that a vacancy has occurred in the membership of the House by reason of the resignation of Ronald George Van Horne, Esq., as member for the electoral district of London North, effective midnight, Thursday, December 31, 1987. Accordingly, I have issued my warrant to the chief election officer for the issue of a writ of election for the said electoral district.

## MEMBERS' STATEMENTS

### HOSPITAL SERVICES

**Mr. Breough:** I rise today on something that is really quite unusual, a front-page story in the Toronto Star today about a Bowmanville mother who was taken to Toronto East General Hospital to deliver triplets, in this instance, and thence was flown to Kingston General Hospital.

I know the Kingston General Hospital is a fine hospital, but this is truly a most bizarre situation that has arisen. The statements from both the minister and the minister's parliamentary assistant seem confused, to be polite about it. There seems to be no public reason given for this rather bizarre set of circumstances.

One cannot imagine why someone would be turned away from a hospital in Toronto and flown then to Kingston General Hospital. Are there problems in the downtown Toronto hospitals that we are not aware of? Are there problems in all the other fine hospitals in and around Metro, including the Oshawa General Hospital, that they cannot handle this?

It certainly does appear to reflect what the parents are quoted in the story as saying, that the hospital is open from Monday to Friday, but on weekends it is closed and the nearest available one is in Kingston. This is truly one of the most bizarre medical instances that I have seen as a member here. I anticipate we will get a statement today from the Minister of Health (Mrs. Caplan) with a full explanation of the circumstances surrounding this case.

## ONTARIO PLACE

**Mr. McLean:** My statement is for the Minister of Tourism and Recreation (Mr. O'Neil). I was dismayed to learn from his ministry's annual report that attendance fell by some 14 per cent this year at Ontario Place and that Toronto's waterfront tourist attraction lost nearly \$900,000, even after his government doled out about \$4.9 million worth of operating and capital grants. The annual report indicates that without the provincial grant, Ontario Place losses on day-to-day operations would have been a staggering \$4.1 million this year.

It was right that the government got involved in setting up this innovative form of attraction 15 years ago, but it is also right that the government should be considering selling this losing facility to the private sector so the taxpayers will not have to continue pumping millions of dollars into it annually. I believe public funds were used wisely to establish Ontario Place, which served as a catalyst for waterfront development in Toronto and provided entertainment and recreation opportunities for visitors throughout Ontario and the United States. But attendance has steadily declined and that decline will probably worsen when the Toronto Argonauts and the Toronto Blue Jays move from Exhibition Stadium to the new domed stadium in 1989.

Ontario Place could be sold to the private sector for \$100 million or more and the proceeds divided equally among 10 Ontario municipalities that could develop theme parks of their own to attract tourists and boost their local economies. The time is right to consider letting the private sector run Ontario Place. I think the minister should give that serious consideration.

## NIKITA MARNER

**Mr. Faubert:** I rise today to pay tribute to Nikita Marner, who passed away Sunday, December 27, 1987. Mr. Marner, a Scarborough artist, was one of Canada's most talented painters and was, and is, an inspiration to all Canadians. He will be greatly missed by those who knew him personally as well as those who enjoyed his art.

Born in England to parents of Russian background, Mr. Marner emigrated to Canada in 1960. He trained as an architect and worked



full-time at that occupation until 10 years ago when he devoted his full time to painting. Mr. Marner possessed the gift of being able to capture the essence of life in his works. As all great artists, he will indeed live on through the art he has left for all Canadians to enjoy, and future generations will come to know of his passion and generous spirit.

The legacy which he leaves for all of us reflects the spirit of this country. His paintings of Scarborough, downtown Toronto, rural Ontario, the east coast and the Arctic are examples of this legacy. He also painted in the West Indies, Mexico, the United States, Europe and China. The Chinese were so impressed with his art that they invited him to return for a three-month teaching term. One of his most celebrated works was a 1986 series on the street people of Toronto. He spent months in the hostels and on park benches to better capture the hopelessness and despair of those living in the streets.

In 1984, Mr. Marner earned the city of Scarborough civic award of merit for his striking style and emotional approach to art. He was a teacher at the Cedar Ridge Creative Centre and artist in residence at two Scarborough secondary schools. It is a privilege and an honour to have known him.

#### SHELTER FOR THE HOMELESS

**Mr. Breagh:** Those of us who are interested in housing and the homeless welcomed the New Year's Day statement by His Eminence Cardinal Carter to have the entire Catholic Church get involved, each of the parishes finding its own resolution to this problem. We have watched with admiration as the United Church and many other church groups saw this as part of their social obligation, not just during an international year of shelter for the homeless, but all through the history of Ontario.

What would make it an extremely good start for this new year would be to see the province of Ontario now officially say it will look for initiatives from church groups and service groups across Ontario, some of which may well have land but cannot afford to develop that land to provide housing for low-income groups, for single-parent families, for the homeless. It would be nice now to see the government of Ontario devise new programs which would, in effect, make all of those good intentions become reality as quickly as possible.

We are aware that around Ontario there are a number of church groups which do have facilities that, with some moneys from the government of

Ontario, could be converted into providing decent housing. We know they have now clearly stated their public intention to try to do that. The missing link in all of this is to see the province do the role that a government ought to do, provide the financial incentive and the expertise to make this something that is really worth while and to do so on a large scale.

#### WORLD JUNIOR HOCKEY CHAMPIONSHIP

**Mr. Harris:** I am delighted to comment briefly on the world junior hockey championship won by Canada today. It is the second world championship won by Canada in two months—a second gold medal by Canadians, again right in Moscow.

Again, as I noted in my comments on the Izvestia championship last month, it is a time to consider how we think of ourselves and what other nations think about Canada as a nation. In so many areas, we are clearly the best in the world.

In the hockey tournament, we beat West Germany, we beat the Russians, we beat Czechoslovakia, we beat Sweden, we beat the Americans, and today we beat Poland 9-1 to win the world championship. Today these young Canadians have proven we are the best in the world, and this is only one example.

#### 1340

Many people have commented during the free trade debate about how we as Canadians view ourselves. Those who oppose this deal often portray Canada as an insignificant power. They say we cannot compete. Those who favour this deal, both inside and outside Canada, know we can be the best in the world in so many areas and that, in fact, we are the best in the world. This is how other nations view us in so many ways as well.

The members of my party offer hearty congratulations to our junior Canadians and share the pride that all Canadians feel today.

On a personal note, I want to put it on the record that the people of North Bay already knew our junior team was the best in the world. Coach Bert Templeton proved that last year. This year we brought home the gold.

#### FUTURES PROGRAM

**Mr. Adams:** There are fears in Peterborough that special youth employment and training programs such as Futures are at risk under so-called free trade. The argument is that such programs will be viewed as hidden subsidies.



Futures is a provincial employment subsidy program that helps integrate less-advantaged youth into the workforce. It allows young people with minimal qualifications to build work skills and experience. One assumption behind Futures is that the young in our society are particularly hard hit by the pace of technological and other change. Also, this is a group which can be scarred for life by the ravages of unemployment.

In essence, Futures is designed to permit young people to gain a foothold on the employment playing field, a playing field which, far from being level, is often tilted against them. This is a home-grown response to the problems of youth unemployment in Ontario, something we should be proud of. Far from being an unfair subsidy in some abstract concept of free trade, it is a small but effective move towards social justice, which also has the effect of making Ontario's workforce more competitive.

In the Peterborough area alone, Futures has already given more than 1,000 young people a boost towards productive careers. This is not a nontariff barrier. Better, it is a humane effort to keep Ontario competitive.

#### WORLD JUNIOR HOCKEY CHAMPIONSHIP

**Mr. Breagh:** I just want to join the member for Nipissing (Mr. Harris) in congratulating the Canadian junior hockey team. We have some boys from the Oshawa Generals there. There is even a kid from Napanee, Rob Brown. From all the members of our caucus and, I am sure, all the members of the assembly, congratulations to a junior hockey team that this year did it right.

#### STATEMENTS BY THE MINISTRY

##### PRA INTERNATIONAL INC.

**Hon. Mr. Kwinter:** I would like to respond to the question raised in the Legislature last Thursday concerning a company known as PRA International Inc. The company manufactured laser equipment in London, Ontario, until it went into receivership in May 1987. However, this company had received funds from the government since 1979. I am satisfied that the allegations of the leader of the third party of impropriety by the government on this investment are unfounded.

PRA International Inc. has had an active involvement with the Ontario government dating back to 1979. In 1979, Photochemical Research Associates Inc., a predecessor company of PRA International Inc., was awarded a grant of \$300,000 under the then employment develop-

ment fund, but the company utilized only part of the funds. In 1980, the company was awarded an Ontario Development Corp. export support loan of \$250,000. In 1981, Photochemical Research Associates Inc. received a grant of \$300,000 under the employment development fund.

In October 1983, the company submitted its first application to IDEA Corp. IDEA rejected the application for commercial reasons. In September 1984, PRA made a new application to IDEA Corp., and IDEA reassessed its view of the company.

I would like to quote from the minutes of IDEA's management committee meeting of December 19 and 20, 1984:

"A senior IDEA official reported that this proposal of PRA International Inc. had been declined by IDEA in the past, but that since that time there had been a significant management turnaround and that the business was also starting to turn around. The management committee agreed to move the proposal of PRA International Inc. to priority review, possible investment."

The key decision that this company be given priority status for investment was made by IDEA in December 1984. IDEA Corp. took this decision in accordance with the mandate established by the previous government. This subsequently led to the actual investment of \$1.5 million in October 1985.

In May 1985, the member for Sarnia (Mr. Brandt), then Minister of Industry and Trade, signed an agreement approving the new corporate structure and permitting the new company, PRA International Inc., to assume the obligations under the employment development fund grant agreement to which I have previously referred. Orville Parkes, president of PRA International Inc., also signed that agreement.

By early fall 1985, the company showed a small profit. In October 1985, IDEA Corp. approved an equity investment of \$1.5 million. In December 1985, the Ontario Development Corp. authorized an increase of its export support loan to \$500,000 from the previous line of \$250,000. The export support loan was fully repaid in August 1987. As of today, the total outstanding debt to the Ontario government under the EDF program of \$300,000 remains. The equity investment of \$1.5 million is lost.

Members will recall that the Ontario Development Corp. assumed responsibility for the investment portfolio of IDEA Corp. on July 1, 1986. Since assuming responsibility, ODC has actively supervised the PRA investment. Within two weeks, a senior ODC staff official was



nominated to PRA's board of directors. Other departments within ODC associated with the export support loan and EDF programs also tracked the company's progress, and all decisions regarding the government's investments in the company were made at the senior management level of ODC and were solely based on commercial considerations. Unfortunately, the commercial prospects of PRA International changed significantly in early 1986, and at the request of the company's directors, a major chartered bank appointed a receiver in May 1987.

I would like to inform the Legislature that the Premier (Mr. Peterson) received a letter dated April 16, 1987, from Mr. Parkes, who had been president of the reorganized company since October 1983. He requested \$500,000 in financial assistance. The Premier routinely acknowledged this letter and referred the matter to the then Minister of Industry, Trade and Technology, the member for Quinte (Mr. O'Neil), who referred it to ODC for consideration in view of ODC's responsibility for the IDEA portfolio. ODC declined to provide further assistance.

I will table today key correspondence and other related information on this transaction. I have also asked the Provincial Auditor to conduct a detailed review of the matter. Members will be aware that the auditor has access to all government files. Additionally, staff will be instructed to assist him in every way possible. The auditor will doubtless wish to consult with all officials involved as he conducts his review.

I recognize also the general concern members have about the entire IDEA matter. Accordingly, I am asking the auditor to conduct a complete review of the IDEA Corp. including the work being performed by Mr. Biddell and any relevant police information, to conduct interviews with all relevant officials and to identify any issues he thinks merit the attention of the House or its committees. Again, every single document in the government's possession will be made available to him and all relevant staff will be accessible to him at his convenience.

I have asked the Provincial Auditor to review this on a priority basis and to forward his full report to the Legislature as soon as possible.

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## RESPONSES

### PRA INTERNATIONAL INC.

**Mr. Philip:** IDEA Corp. has written off some \$19.4 million of the taxpayers' money. Whatever statement the minister may make, he cannot

remove the fact that \$16.7 million has come about under this administration, not under the previous Conservative administration.

If you look at the announcement made today by the minister, he says that the company has been in fact receiving government funds since 1979. The fact of the matter is that the majority of the funds that have been lost have been lost under this government and have in fact come after the announcement by the Treasurer (Mr. R. F. Nixon) in October 1985 that IDEA Corp. would be phased down.

The minister later goes on to say that a letter dated April 16, 1987, from Mr. Parkes, who had been the president of the reorganized company, came to the Premier (Mr. Peterson) and that the Premier in turn sent it or referred it to the Minister of Industry, Trade and Technology (Mr. Kwinter), who in turn then referred it to IDEA Corp.

One must ask, how incompetent can this government be that it announces very much earlier the doing away of the corporation, a corporation that the Premier himself said was a boondoggle and a loss to the taxpayers, and then refers requests for still more money after these announcements and after these policy decisions to wind down the corporation have been made?

If you look at what has been requested now of the auditor, there is a request that he look into the matter. It is fairly clear that the government has not had the courage to ask for a complete forensic audit by the auditor. If it had wanted to get to the bottom of this, it would have asked for a forensic audit that could have traced exactly where the money was spent, where it went.

Remember that this is the second of the two major companies that have lost money under this administration where there are very strong suspicions that some of the money, some of the assets, some of the software, has disappeared outside the country. Surely the minister should have the courage to ask for a complete forensic audit that could be reported back to the Legislature, so that we could get at the bottom of this kind of waste and squandering of the taxpayers' money. ■

This is not the problem of the previous government, it is the problem of this government, a government that said IDEA Corp. is finished and that did not have the management skills either to convey or to enforce on its crown corporation its intention, which was announced by the Treasurer.

We have had yet another corporation that has gone down the drain—\$1.5 million. That amounts to almost \$10 million on three corporations alone



under this government, three corporations loaned \$10 million that has been lost under this government's direction after it announced that it would stop this kind of nonsense. I say disgrace on them.

**Mr. Brandt:** I would like to endorse the comments made by my colleague the member for Etobicoke-Rexdale (Mr. Philip). He has very succinctly summed up some of the problems that we have concerns about as they relate to IDEA Corp.

Specifically relating to the minister's statement, I would like to call the attention of the House to one of the dates, October 1983, when IDEA Corp. rejected the application of the restructured company for further funding from IDEA Corp. It was within a year and a half after this that the additional funds were granted to IDEA Corp. by the new government.

In the minister's chronological order of events as they relate to this company, he slipped in a comment with respect to a former Minister of Industry and Trade—namely, myself—and he elicited a fair amount of support and applause from the members opposite as it relates to my involvement with this particular firm. I think I should call the attention of the House to the fact that at that particular time the minister's involvement was simply to approve of the restructuring of the company, not to grant additional money to that particular firm.

It is also interesting to note that virtually every sum of money that was granted to that company from 1979 to 1983, virtually all of those moneys, was recovered. The amount outstanding—namely, the \$1.5 million that we brought to the attention of this House—took place under the approval of and under the term of the current government and had nothing to do with IDEA Corp. in its previous administration.

What is interesting about the minister's release today is the items that he has left out of the report, which are also relevant to the granting of the \$1.5 million. As an example, he has made no mention whatever of the fact that this company, just prior to the granting of this \$1.5 million, was fined some \$25,000 for having inappropriate business activities with the Soviet Union at that particular time. In addition, he has not mentioned the fact that one of the key scientists, who was literally the pillar upon which this company was being constructed, rather unexpectedly died during that same time frame and that changed the nature and the direction and the strength of that company very significantly, since he was probably the

leading edge of the technology that was being developed by that firm at that particular time.

Where the minister indicates that in 1983 there was a somewhat better attitude, if you will, towards IDEA and that the company had restructured and improved itself, it would appear that there were reasons to believe the company had also slipped back considerably.

I will have some additional comments to make with respect to this item in questions that I want to raise directly with the minister and with the Premier a little further on in question period, but I want to say by way of closing that an auditor's report as it relates to IDEA Corp. and this deal specifically, after all the time that has passed now related to Wyda Systems, related to Graham Software and related now to the corporation under question here in the House, is simply not acceptable to the members of the opposition.

We are looking for far more than some auditor's report which will not get into the relevant details as to what went on, how these moneys were in fact forwarded to these respective companies, and how IDEA Corp. got into the mess that it is in today, of some \$20 million in moneys unpaid back to the government.

## ORAL QUESTIONS

### PRA INTERNATIONAL INC.

**Mr. Philip:** I have a question of the Premier. As I mentioned, he will be aware that IDEA Corp. has lost \$19.4 million and that \$16.7 million was lost while his Liberal government was in power. The Premier will also be aware that the three major corporations that lost this money, Graham Software, Wyda Systems and now PRA International, have cost the taxpayers close to \$10 million and indeed, in the case of the last two companies, some of the moneys may well be outside the country.

Today the government announced that it will ask the Provincial Auditor to look into this. Will the Premier do what his government refused to do in the case of Wyda, when the auditor wrote to him and asked for a forensic audit, and use his powers under the Audit Act to request a complete forensic audit under the supervision of the Provincial Auditor so that we can find out where the moneys were spent and, in the case of PRA International, where the money is now and how much may still be left in Canada?

**Hon. Mr. Peterson:** My understanding of the intention of the honourable minister's statement today is to look into all aspects of the situation, all details, talk to all relevant persons and look at



all relevant documents and all aspects of IDEA Corp.

The Provincial Auditor is a servant of this House and will be reporting to the honourable member as well as to me. If my honourable friend has specific things that he thinks the auditor should be looking at, if he wants to write him or convey to him his ideas of things he would like him to look at, I am sure he would take that into account. I think that would be most helpful. I agree with my honourable friend that every single fact should come out through this servant of the Legislature.

**Mr. Philip:** I take it from the Premier's statement that he is saying to the Provincial Auditor, "Yes, I am calling for a forensic audit; you may hire whatever outside consultants are necessary to do that kind of specialized inquiry, not just a normal inquiry by the Provincial Auditor and his staff." Do I take it that is what the Premier is promising the House today?

**Hon. Mr. Peterson:** Absolutely.

1400

**Mr. Philip:** In October 1985, the Treasurer (Mr. R. F. Nixon) announced that IDEA Corp. would be wound down. Later, in February 1986, the announcement of the wind-down was made again and June 30, 1986, was set as the date. Can the Premier explain to the House how we have evidence of yet another corporation which, following the announcements and the policy decision by this government that the corporation would be folded, that he would cut his losses, that he would stop the boondoggle—which I believe are his words—why it was that his directions and the directions of this government were so poorly conveyed to IDEA Corp. that IDEA Corp. could spend money on all of these corporations, the last one of which we have just been considering today? Why would that happen, if the Premier were properly at the helm of the ship?

**Hon. Mr. Peterson:** When we came into office, we decided—I cannot give the member the precise date, but it was very shortly thereafter—to look at all aspects of the IDEA Corp. IDEA Corp., as my honourable friend will be aware, has been plagued by management problems and a number of other problems. We sent in someone to look at all aspects of that. IDEA was carrying on. It was a board constituted by the other government. The chairman was then, I think, Ian Macdonald, a former deputy minister of the Treasury and someone who was well-known to the previous government. He was in charge

under that current order in council and his management team, Mr. Blakley and other people, were involved there.

I understand that what happened—and I am not trying to defend this, because I say to my honourable friend in all candour that in retrospect I wish we had chopped it the very first day—was that there was certain work in process, as I understand it. For example, this particular PRA International situation was work in process, as my colleague the minister has pointed out to the member. There were certain things going on, certain work being done, just as today, for example, we still have certain assets of the IDEA Corp. under administration, trying to salvage those assets. IDEA has been wound up. It is in the hands of the Ontario Development Corp., which has been audited. We are trying to do the best we can with the circumstances, but I think the operating principle at the time was that work in process, those files that had been taken into account and were being worked on, were going to be worked out to their logical conclusion.

The sense was—again, judgement will be passed on this—that it would be unfair just to chop it absolutely without winding down the corporation in an orderly way. It was in that period, I think my honourable friend would agree, that some investments were made that obviously, in retrospect, were not wise investments; but as I understand it, no new responsibilities were taken on, no new work was taken on in that period, it was just winding down the portfolio it had at the time.

That would seem to be the most commercially viable and indeed fair way to conduct the affairs of IDEA Corp. while it was undergoing that review. We came to the conclusion at the end of the review that it should be wound up, and that is exactly—

**Mr. Speaker:** Order. New question.

**Mrs. Grier:** Mr. Speaker, I have a question for the Minister of the Environment (Mr. Bradley). I understand he is expected. If that is still the case, I will stand down my question.

**Mr. Speaker:** I believe your request was to stand down your question. Is that agreeable?

Agreed to.

#### TRADE WITH UNITED STATES

**Mr. Brandt:** My question is to the Premier. It is related to the historic document that was signed on January 2 by the President of the United States and the Prime Minister of Canada.

**Mr. Breaugh:** Why were we not sitting on January 2? We missed that day.



**Mr. Brandt:** It is an important day, I realize. I was waiting with anticipation to see if the agreement would be signed.

In light of the fact that the signing has now taken place, and in light of the fact that this House has been tied up in debate for some number of weeks now on a resolution which some of us feel was inappropriate in the sense that it was brought forward at the 11th hour and brought forward in a manner we find somewhat out of sorts with the way in which this House conducts its business, would the Premier now withhold this resolution until the standing committee on finance and economic affairs has had an opportunity to discuss the entire free trade agreement and reports back to the House with its findings?

**Hon. Mr. Peterson:** I appreciate my honourable friend's suggestion, but the answer to his question is no. Let me tell him why.

My honourable friend would argue that we brought forward the resolution at the 11th hour. The reality is that the free trade agreement was brought forward at the 11th hour. My friend was quite prepared to stand up and support it even prior to seeing the agreement on December 11, but he was prepared to stand up and extol its virtues and indeed prepared to give it his unequivocal support, even though he did not know what was in it, which is fine.

But then, I say to my honourable friend, as soon as we had that agreement we introduced a resolution in the House and started the debate. I believe it was fair for the Prime Minister and others to know the Ontario government's position on this matter. We have conveyed the government's opinion, but I think it is important as well to convey the Legislature's opinion. There are lots of people who are concerned about this debate who will be reading the contributions of the various members, his party included, and who will want to know how he feels about this situation. I think they have every right to so do.

We have started this debate as we said we would do. We have also allowed the committee to investigate it even further. This is a major issue, as my honourable friend knows, and I think it deserves a lot of attention. We on this side of the House look forward again to the thoughtful contributions made by him and the members of his party, as well as by all members of this Legislature.

**Mr. Brandt:** As the Premier is well aware, the arrangement that was agreed to by the House leaders did not call for a debate in this House but in fact for referral to the committee. The

committee was then going to study the free trade agreement in detail and report back to the House, following which we would have a debate here in the House with respect to the positions we were going to take respectively on the free trade matter. However, we do have a basic and fundamental disagreement on how all of that particular matter unfolded.

Let me just remind the Premier that now we do not have six and three quarter premiers, as he has stated so often in this House, in favour of a free trade agreement. We now in fact have seven full premiers, all full-size premiers, all elected appropriately in their respective provinces. As a matter of interest to him in his former profession, we also have 70 per cent of the lawyers in this country who have now indicated that they support a free trade agreement—

**Mr. Harris:** That is the one thing that worries me.

**Mr. Speaker:** Question.

**Mr. Brandt:**—gentlemen who are educated in the law and who have in fact reviewed the details of the agreement and have found it not to be wanting, as he has suggested.

**Mr. Speaker:** Question.

**Hon. Mr. Scott:** How many funeral directors support it?

**Mr. Brandt:** Is the Attorney General (Mr. Scott) putting down the proud profession that he was at one—

**Hon. Mr. Scott:** Not at all. I want to know where they stand on this issue. I thought you might know.

**Mr. Speaker:** Order. Was that your supplementary?

**Mr. Brandt:** My supplementary is simply this. With all the various indications we have from right across this country, with seven premiers now very solidly in support of the free trade agreement, will the Premier do the right and proper thing and refer this entire matter to the committee and not attempt to get a resolution in this House prior to study by the finance committee?

**Hon. Mr. Peterson:** I do not want to be unkind to members of my former profession—I guess I am still a member of that profession—but I think that survey I read about as well, showing 70 per cent of the lawyers support it, clearly confirms that we are right on this side of the House. I read that article and a lot of the lawyers are in favour of it. As I read the article, and the member will correct me if I am wrong, I think



they were not very happy with the deal but a lot of them saw a lot of money in it with a lot of companies moving south and a lot of commercial work in it. Whether it appealed to their higher instincts or their lower instincts, I have no idea, but I think that survey said a lot were not particularly happy with some of the aspects of the deal.

I say to my honourable friend that I do not think this government can ever want to be guided by lawyers, whether it is a majority or not. I understand that my colleague the Premier of Nova Scotia came the other quarter of the way a couple of days ago and is now fully supportive. There are no surprises in that to me. I guess where I disagree with my honourable friend opposite—he is now into taking polls on this matter or taking head counts on this matter—is that I do not believe—

**Mr. Brandt:** And you are not?

**Hon. Mr. Peterson:** No, we are not, as a matter of fact. We have stood resolute on this matter. We have put forward our view in a thoughtful and forceful way and it does not depend on whether the lawyers, the doctors, the funeral directors or the music teachers are on side, because this is too important for this country, now and in the future, just to submit it to some poll.

1410

**Mr. Brandt:** No one's opinion is relevant but the Premier's. His is the only opinion that counts in this House. Because he has taken a position on this particular matter, he feels that is all that counts. All of the other premiers and all of the other groups and organizations that have indicated their support are of no relevance to the Premier.

Let me tell you, Mr. Speaker, why we on this side of the House have some difficulty in accepting the Premier's position. He has consistently promised us that he will provide us with the government's reports, the data, the information that he has garnered as a result of his studies, through the Ministry of Industry, Trade and Technology and other ministries of the government, that are relevant to the free trade deal.

Since he has not provided us with that information, would he in fact table that information as soon as possible—hopefully, this week? I would imagine he has had an opportunity to peruse it and he has based his decision upon the relevant data that his ministries have been able to provide. Will he make that information available to all members of this House by tabling it so that the standing committee on finance and economic

affairs can study the matter in detail and it in turn can refer its decision and its position on this matter to the House, at which time we can then make an intelligent decision and vote on the matter? The next relevant date is June of this year.

**Hon. Mr. Peterson:** You mean my friend has made up his mind in the absence of any information? Is that what my friend is telling us? With great respect, his approach is nonsense. We have tabled in this House and shared with others legal opinions, both in Canada and the United States, with respect to the implication of the dispute settlement mechanism, that have come to the conclusion that virtually nothing was achieved for Canada. We are in the process of doing a constitutional audit under the direction of an extremely eminent lawyer whose opinion is valuable on these matters. That will be shared with the member very shortly.

The Treasurer (Mr. R. F. Nixon) and the minister have shared information. There is all sorts of information that has been shared with the member. I do not think my friend should get the impression that any secret information is being suppressed in this matter. We are sharing these things with him and are happy to do so. If my friend feels intellectually inadequate because he is not privy to certain kinds of things, I will arrange for briefings with him any time he would like from the relevant officials, or I will even give him one myself if he would so like.

I am sure that if the member sat down and studied the information and listened to some people who have been immersed in this deal as I have for the last couple of years, he would stand up and publicly recant and apologize for taking the position that he has.

**Mr. Brandt:** Three words in response to that: I doubt it.

**Mr. Speaker:** New question to which minister?

**Mr. Brandt:** I will go ahead with my second question. I believe the Minister of the Environment (Mr. Bradley) has not arrived yet but I can proceed if you would like, Mr. Speaker. I was going to give the floor back to the official opposition, but I believe I will carry on with your approval.

PRA INTERNATIONAL INC.

**Mr. Brandt:** My question is with respect to the matter that we discussed briefly earlier today regarding PRA International and the president, Orville Parkes.



In response to my question last week, the Premier indicated that he did not know PRA, nor did he know Mr. Parkes. I accept that as the sort of passing contact we all make in politics, even though Mr. Parkes has subsequently indicated that he was a neighbour of the Premier, that he knew the Premier very well, that he knew the Solicitor General (Mrs. Smith) and that he in fact worked for the husband of the Solicitor General. I accept all that. I am not suggesting to the Premier that there were any improprieties as a result of his having some casual relationship with Mr. Parkes.

However, having said that, I want to ask the Premier why, after some five months in office and after the Treasurer (Mr. R. F. Nixon) of his government indicated that he was winding down IDEA Corp., his government would proceed with a \$1.5-million loan to this particular firm when he had already made it very clear that he was no longer going to keep the operation of IDEA Corp. as a viable entity of the provincial government? Why would he do that?

**Hon. Mr. Peterson:** My friend makes light of the situation that four years ago Mr. Parkes lived down the street from me. To the best of my knowledge, I have never discussed the matter with him and frankly was not aware that he had that \$1.5-million loan at the time my friend mentions. There was, as the honourable minister made public today, some correspondence a couple of years later that I referred on routinely. My honourable friend would want to be most careful if he is trying to draw some implication from some association, because if that is my honourable friend's intention—and he is an honourable man—then he is completely barking up the wrong tree.

I say to my friend that the government did not approve of that \$1.5-million loan. It came from IDEA Corp., I believe in October 1985. IDEA Corp., as created by that member's government, was independent. My honourable friend, as a former minister of the crown, will understand that it did not require cabinet approval, it did not go through the committees, there was no referral to me or to any other minister that I am aware of, or to any other bureaucrat that I am aware of. It was handled completely by IDEA Corp.—that member's appointments, not our appointments. So one of the things that the Provincial Auditor will want to do is to find out from Ian Macdonald, Mr. Blakley and other members of the IDEA board who made this decision, on the basis of an updating, I gather, in the quality of their

assessment of that situation prior to our taking office, why they made that decision.

Obviously, in retrospect, it was not a very good decision, but we will want to know the answer to this. I can say to my honourable friend that if there is any suggestion he would want to make—and I am sure it is unwitting if he were doing so—that anyone was involved in any political way, it is completely, 100 per cent false.

**Mr. Brandt:** Let me say to the Premier that in my opening comments, the preamble before my question, I made it clear that we all have political contacts of some sort or another that we make through life. I am not drawing any direct relationship between the fact that the Premier had a neighbour who ultimately got \$1.5 million as necessarily being wrong or inappropriate. I am simply saying that at the time I raised this matter in the House, the Premier indicated that he did not know the individual or that he did not know the company. I accept that. I am not suggesting there was any impropriety there.

However, what does disturb us, and disturbs us very greatly, is the fact that we have a number of corporations that are already under the review of the government through the Ontario Provincial Police investigations that have gone on for well in excess of a year now. We have Wyda Systems Inc., we have Graham Software and now we have another corporation in London which has a loan that was made that has not been repaid, assets that have been disbursed to various banks and also to the United States. We want to get to the bottom of what this is all about.

Since the Premier indicated some time ago, and I quote him directly, "The important thing is to move expeditiously and immediately," surely well in excess of a year after he made that statement is not moving expeditiously. Will he now move to a judicial inquiry of this entire matter through IDEA Corp. and get to the bottom of what happened with respect to Wyda, Graham Software and now the new corporation in London?

**Hon. Mr. Peterson:** I share with my honourable friend the view that every single aspect of the IDEA Corp. must be made public. Mistakes were obviously made. We should apply our minds to why they were made and who made them. I believe all that information should be made public and that is why we have chosen to do that quickly and expeditiously through the Provincial Auditor, a servant of this House who will report to this House. He will have the full co-operation of everybody in this government and, I assume, in the previous government as



well who was involved in the creation of IDEA, in the creation of the board and in a number of those loans.

There were mistakes made. I hope we can at least salvage what we possibly can out of them. I tell my honourable friend that a lot of those assets have been turned over to the Ontario Development Corp. As the minister has said, there is a set-aside for bad loans, and I think the member said a few days ago when he originally raised the question that he understands mistakes being made in the high-technology business.

Some of the assets, they believe at the current time, can be salvaged, but there is a reserve for certain bad debts if they cannot be salvaged, according to prudent ways. We have a feeling now that under the Ontario Development Corp., Mr. MacKinnon, it is in competent hands and those investments are being monitored. As a matter of fact, as I understand it the auditor has looked at the administration of the IDEA assets through the ODC and has come to the conclusion that it is doing the best it can possibly do, but we will revisit all of those questions.

I think all aspects should be looked at expeditiously and objectively. If mistakes are made, then prices have to be paid—there is no question about that—but let all the facts come out. I think our approach to this is the most prudent one and the most expeditious in the circumstances.

1420

**Mr. Brandt:** By way of question, let me offer some assistance to the Premier since he asked for specific suggestions. It is interesting to note that 60 per cent of the entire portfolio of IDEA Corp., some \$27 million, was approved during an 18-month period by his government. When the Premier talks about taking over a bad idea from a former government, it is interesting to note that the \$27 million was all approved during his term of office and is fully more than double the entire amount of money that was approved by the government during the life of the IDEA Corp., in that 18 short months.

Since most of the deals that have gone sour to this point in time—Wyda, Graham Software, and now the PRA International in London—since all of those firms have now gone bankrupt and the assets have been lost to the government of Ontario, the three corporations I have mentioned alone being in excess of \$10 million, will the Premier now submit this whole matter to a judicial inquiry, since that is the only way the members of the opposition and others can have

some input into the relevant details as to what went wrong with this particular deal?

**Hon. Mr. Peterson:** I think my honourable friend is making one mistake. He is suggesting that our government approved of those loans and that is not the case. The case is they were approved of by IDEA Corp., which was independent, at arm's length from that corporation. That is why we did not have any approval of those loans and one of the reasons it was closed up.

I say to my honourable friend in all candour, I wish we had axed the thing the day we came in. This has turned out to be a profound embarrassment to all of us in this House, including the people who created the IDEA Corp.

Interjections.

**Hon. Mr. Peterson:** That is why I want the member to have input. If my honourable friend has evidence or information, I would like him to take that to the Provincial Auditor. I would like his friends opposite, if they have any views for the Provincial Auditor, things he should look at, leads he should follow, then they should do that. But I think the member would share my faith in his independence and in an unimpeachable integrity, so he can bring that report back, not to the government but to this Legislature so that all aspects of it can be studied and members will have all the information.

I am sure my honourable friend would want to be helpful, and if he has information in this matter, particularly as a former minister, or leads that the Provincial Auditor should pursue, he would want to refer that.

In response to the question from my friend the member for Etobicoke-Rexdale (Mr. Philip), I think the Provincial Auditor should have whatever advice he needs, independent of government, to get to the bottom of this situation. I think we can do that expeditiously, have all the facts there, and then people can form their judgements on what went wrong.

#### FIRESTONE CANADA INC.

**Mr. Mackenzie:** I have a question for the Minister of Industry, Trade and Technology. His deputy minister, Patrick Lavelle, has been quick off the mark to blame Local 113 of the United Rubber Workers Union for the refusal by Cooper Tire and Rubber to buy the Firestone plant in Hamilton. I refer to the articles in the Globe and Mail and the Hamilton Spectator where Lavelle refers to the smoking gun at everybody's head.

On December 23, Mr. Lavelle called Charlie Scime, the president of the local, demanding acceptance within half an hour of the company's



terms of ignoring seniority and hiring non-Firestone workers. The union, which was never involved in the negotiations, was prepared to make major concessions to allow renegotiation of the contract and to go through the seniority list and decide who could do the jobs. However, the minister's deputy left no time for the company and the union to come to an agreement.

Is it not true that his deputy minister held a smoking gun to the head of the union and that if the union had been involved in these talks from the beginning, there might have been a better chance of reaching an agreement and saving that plant?

**Hon. Mr. Kwinter:** I welcome the member's question. First, I should say to him that no one has accused the union of doing anything that contributed to the demise of the negotiations.

**Mr. D. S. Cooke:** Read what Lavelle had to say.

**Hon. Mr. Kwinter:** Let me tell the member that I met with Charlie Scime and his people on December 22. They had told me that in their opinion things were progressing well and they had every expectation that this deal would be made. As everybody knows, subsequent to that Cooper Tire announced that it had aborted the deal.

I am sure members will know and will want to know that tomorrow morning I am going to Findlay, Ohio, to meet with Cooper to find out what really did happen.

I suggest it is not contributing to the resolution of this problem to be pointing fingers and saying it is their fault or someone else's fault. No one has said whose fault it is, and we are trying to salvage what is a very difficult situation for the people in Hamilton. I can tell the member that the main thrust of this government is to try to protect those jobs.

**Mr. Mackenzie:** The minister will know that I had to make a statement in this House on December 10 to get him to meet with the union a month after it had requested a meeting with him. They were not involved in the negotiations at any time. What they were hearing were rumours.

This government has not got a strategy for economic development in protecting jobs in this province and we have not got legislation that requires plant closure justification information which might have allowed a better opportunity for all parties to take a look at this particular situation, find out whether there were any other options, including entrepreneurs who might be interested or an employee buyout. That was not possible.

Is the minister now prepared to tell this House that he will proceed with plant closure justification legislation that he did make a commitment to during the period of the accord in this House?

**Hon. Mr. Kwinter:** I can tell the member that we are looking at the whole area of what is happening to the industrial restructuring of this economy. We are looking at all those things.

I am sure that in the fullness of time the Minister of Labour (Mr. Sorbara) will bring forward his legislation. I again want to reassure the member that we are doing whatever we can to help those workers, particularly in Hamilton, with various programs that they are participating in. It is this government's commitment to do what we can for them.

#### TRADE WITH UNITED STATES

**Mrs. Grier:** I have a question of the Minister of the Environment and it concerns his attitude towards the Mulroney-Reagan trade deal and the environment.

Last week, in reading Hansard, I see that the minister expressed his concern and acknowledged that there were environmental implications in the deal. This is somewhat at variance with the statement of his federal counterpart, Mr. McMillan, who has said that the pact is simply a trade agreement that does not really concern environmental matters. On the other hand, the federal Minister of Energy has said that in terms of environmental protection, Canada's interests are fully safeguarded.

In the light of these contradictory statements at the federal level and of the concern that the minister has expressed here in Ontario, can the minister tell the House what studies he has initiated on the impact of the Mulroney-Reagan trade deal on Ontario's environmental laws and, if there are such studies being done, when they will be tabled in this House?

**Hon. Mr. Bradley:** If one examines first of all the evidence that is before us and compares the Canadian jurisdictions—and I can speak only for Ontario—with most American jurisdictions, it becomes quite obvious to our officials within the ministry that our rules and regulations and our legislation all are somewhat tougher than one would find in most states of the United States. This is why we have that concern.

I have gathered information over some period of time and I am at present gathering from my ministry officials—I have not commissioned a consultant's report or anything—the kind of information that the member, I think appropriately, would like to have available; that is,



indicating what the differences are and what kind of pressures we might face.

The member knows that we are implementing a new air pollution regulation, a new water pollution regulation, and that particularly the multinational companies but also other companies are going to want to come to Ontario and to other provinces and the federal government and say: "There are no more tariff barriers left when this free trade agreement is implemented and, therefore, we have to compete head to head with these companies. We do not believe you should move as quickly or as comprehensively."

As soon as I have compiled all this information, I will be happy to share it with the member and with all members of the House through the estimates process and I think, more important, before that.

**Mrs. Grier:** I think the information that the minister says he is gathering is more important than just to be gathered within the ministry.

We have had statements from the government on the implications of free trade on a number of sectors of the economy. Surely the environment warrants a specific study and a specific time frame within which it can be tabled in this House so that we will know, in fact, what the implications of this deal are for such regulations as are being devised under the municipal-industrial strategy for abatement or as are being discussed under the green paper on regulation 308 on air pollution. The minister says quite grandly that we have tougher regulations than anywhere in the United States. We have not, in fact, effective regulations for the control of water or the control of air pollution, and my concern is precisely as the minister has said, that when we do get those regulations they will not be strong enough.

**Mr. Speaker:** Question.

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**Mrs. Grier:** In the face of this, how does the minister intend to ensure that when we see the new regulations under MISA and the new regulation 308, they will in fact be regulations that protect Ontario's environment and not compromises dictated by the trade deal?

**Hon. Mr. Bradley:** The reason the member will be able to see that, of course, is that we are presenting all of these for consultation. I know there are some in Ontario—some in the House, in fact—who have been critical at the pace at which we would move to implement new environmental laws. One of the things I have indicated to the House is that it is because there must be a

meaningful consultation process as we go through these steps. I know the member is speaking to that meaningful consultation process at the present time. So the public will have that opportunity.

I want to indicate to the member as well—and she would agree with me on this, I am sure—that environmental groups are playing a very important role in this particular debate, because they have provided information to me and to the public at large and, I am sure, to the federal government on what they believe to be the downsides of a free trade agreement which would place our industries in direct competition with United States industries.

In regard to the rules and regulations we have, I find it interesting from time to time that we have in the United States people who will talk about their good rules and regulations, but they always seem to have worse problems than we have in Ontario. I think that is because we, through the efforts of all members of this House, have put in place some good mechanisms for dealing with our environmental problems, and with the resources provided by the Treasurer (Mr. R. F. Nixon) to the Ministry of the Environment we have been able to implement those.

**Mrs. Grier:** I do not know whether the minister is deliberately missing my point. My point is not the consultation process within this province; my point is that we heard from the Premier (Mr. Peterson) all during the last election campaign the conditions under which we would have a free trade deal. We know how meaningless that proved to be, and the public is expressing concern about the implications of free trade.

What the people of this province want to know is, what is the Minister of the Environment going to do to maintain our procedures in this province, to maintain our right to adopt the highest and best environmental standards, regardless of the free trade deal? That is what we want to know, and that is what we are not hearing from the minister.

**Hon. Mr. Bradley:** It is our intention to do so. We make the rules and regulations for Ontario, and it is my intention to ensure that those rules and regulations and the legislation passed by this House are all implemented in the fashion all members of this House would like.

As for the federal government and its particular concerns, I cannot speak for the federal government and what it might do according to the competition it may get from the United States, but I want to tell the member that as far as I am concerned, the free trade agreement is not going



to affect my outlook on the implementation of any of our programs. But when there is a tribunal set up—and this is one of the problems where we did not have the details of this for a number of months—or when the two countries start implementing the free trade agreement, if they start saying, for instance, that the federal-provincial program which assists smelters in meeting their obligations as they relate to acid rain or any other program we might have provincially which could be seen in any indirect way as a subsidy is in fact a subsidy, then that becomes a major incident between the United States and Canada. Those are the kinds of concerns I have had.

I expressed those as early as August of this year at a special meeting of the Canadian Council of Resource and Environment Ministers here in Toronto. I made a speech which was not very popular at that time because it was—

**Mr. Speaker:** Order. New question.

#### IDEA CORP.

**Mr. Harris:** I have a question for the Premier about the Biddell report. Whether the Premier likes it or not—and I accept what he said today; I accept all the statements he has made on this matter with the London firm—he surely must realize there is a public perception problem. With IDEA Corp., we have had two companies with connections to the Liberal Party which received amounts of money that are now under Ontario Provincial Police investigation.

Now we have a firm in London turned down by IDEA, then a letter to the Premier in his home town referred to the former Minister of Industry, Trade and Technology, then to the IDEA Corp., and then it got the money, the \$1.5 million we lost.

I accept what the Premier says—

Interjections.

**Mr. Harris:** Well, I do. But if those people do not think there is a perception problem out there, now with the third firm and given the history of events, then there is something wrong with their thinking.

The Premier can help clear that up by releasing the Biddell report, which he says he virtually finished last February. In June we were told it was only temporary, and on top of all that the appearance is that the government has been covering up this Biddell report for almost a year now. When are we going to see that report that might shed some light on this?

**Hon. Mr. Peterson:** I understand, as the honourable member says, that frequently in life there is a difference between appearance and

reality, and I understand that some people want to put a cast on that appearance in order to create some sort of impression one way or the other. I will give a perfect example of that: the member's question just now.

The facts that the member recited are 100 per cent wrong, so let me give him the proper facts. When he understands the reality, then he will have a different perception.

The letter I received from Mr. Parkes was a year or two after he got the money from IDEA Corp. He sent a letter to me asking for another \$500,000. In the normal course of events, I referred that to the minister, who did not refer it to IDEA Corp. but to the Ontario Development Corp., in whose hands it then was. The member has been wrong, as he put the question, in about three facts.

As the member can see, when responsible legislators like himself stand not knowing the facts, giving a wrong impression about reality, how can we expect other people, who are not as familiar and do not have the same high standards of integrity and truthfulness expected of them, to form the proper impression? My honourable friend may want to stand up in the House and say that his facts are wrong, and therefore the impression he is trying to thereby create is wrong as well.

**Mr. Harris:** My facts, as the Premier outlined and as he understands them, may be wrong as far as the letter goes; I do not know. My facts as far as the Biddell report goes, and three companies with Liberal connections or perceived Liberal connections, are very accurate and they are there.

I do not understand why the Premier continues to cover up, for over a year, the Biddell report. Surely that will help shed some light on this company. Biddell was commissioned to do a report, after two of these companies with Liberal connections failed and got money when the Premier took over, to look at the rest of the companies. One of them, presumably, was the company we are dealing with today. Surely there must be some information in there that will shed some light on this.

Second, the Premier talks about wanting the Provincial Auditor working on it. The difference between what the Premier wants and what we want is that we want it all out in the public. The Premier says there are some connections back to our party; our party set it up. Fine; let the public have at it. Why will the Premier not release the Biddell report and why will he not have a judicial inquiry?



**Hon. Mr. Peterson:** My honourable friend stands and promiscuously uses the words “perceived Liberal connections.” I assume his implication is that Mr. Parkes has some special inside track. I just tell my honourable friend that is completely false. Let my honourable friend use again his highly trained mind to look at the board of directors of PRA International, to look very carefully and ask himself if, from the chairman on down, those are so-called Liberal insiders. My friend will find very much the contrary.

When he stands up and says “perceived” this and “perceived” that, we have an expectation of a much higher degree of perception from members of this House who promiscuously throw accusations across this floor. I understand opposition as well, and I understand the difference between perception and reality, but I also understand the standards expected of members of this House.

The Biddell report, which is in the process of being done, as my honourable friend knows—some has been completed, some is still being worked on—will all be referred to the Provincial Auditor, and he will be in a position to make everything public that is appropriate in the circumstances. Surely at least the member has faith in the Provincial Auditor.

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### COUGH SYRUP

**Mr. Adams:** My question is for the Minister of Health. The US Food and Drug Administration has recalled cough syrup made by My-K Laboratories to determine how many bottles were tainted with a potentially fatal tranquillizer. A six-year-old boy was kept overnight in hospital for observation after taking this syrup. What is the minister doing to ensure that this medicine is kept off shelves in Ontario?

**Hon. Mrs. Caplan:** Let me thank the member for his question and for bringing this matter to the attention of the public. The information I have is that this syrup is not distributed in Ontario. However, it may have been purchased by travellers or tourists, and I would advise anyone who has this cough syrup in their possession not to use it.

### AFFORDABLE HOUSING

**Mr. Breagh:** I have a question for the Minister of Housing concerning affordable housing for low-income single persons.

The government leaked its intention to provide some kind of affordable housing for single persons to the Toronto Star in early December. It even went so far as to leak it to the Toronto Sun in

mid-December. We have not yet heard what the minister’s program will be to provide affordable housing for people who are single. Did this good intention get scuttled in cabinet, or when may we expect an announcement of a new program for affordable housing for persons who are single?

**Hon. Ms. Hošek:** The honourable member opposite may have been there in estimates debates just before Christmas when this same accusation was made by the critic from the third party. We did not leak our document to anyone. I have no idea how that information made its way into the press.

As to the question of low-income singles, I am glad to be able to confirm for the member that our announcement of initiatives for homeless people will in fact benefit low-income singles through matching funds for permanent housing and through various solutions that we expect to be developed by the committees that are going to be working in the various communities and the various community groups that now work with homeless people. Those solutions will be available to low-income singles as well.

**Mr. Breagh:** Obviously the Globe and Mail has not got its leak yet.

Let me just quote to the minister and get her response to this. In the Toronto Sun, the document of record, a story written by Lorrie Goldstein on December 17 says:

“And there’s a major change in government policy on the homeless. Low-income single people, the most frequent users of hostels, will become eligible for assisted government housing.”

That is pretty straightforward and pretty clear. He must have got the information from somebody in the ministry. When will we see that program?

**Hon. Ms. Hošek:** In addition to the various initiatives we have already talked about in this House, we will be talking to local housing authorities about the situation of low-income singles, and we are taking a very hard look at extending eligibility to low-income singles for affordable housing.

### EMPLOYMENT ADJUSTMENT

**Mr. Jackson:** My question is to the Premier with respect to the pending Firestone closing.

Last week, I asked the Premier what his government was doing to meet the retraining and relocation needs of Firestone employees. He said at that time, and I quote Hansard: “If he would like me to read the long list of things we have been doing, I would be happy to do that, but it



might embarrass my friend to realize that we are way ahead of him in this particular regard."

I checked with his ministries of Labour and Skills Development, and we have determined that the specific programs targeted to help Firestone workers are confined to two: one program is a counselling service to help unemployed workers start a small business; the other is a resumé writing service at Mohawk College. The government's financial contribution is limited to a \$1,000 contribution to the federal industrial adjustment service, yet to date the feds have contributed over \$500,000.

The Premier was willing to commit \$30 million of interest-free loans to an American corporation. He was willing to give this money to them without even sitting at the negotiating table to see where it was going. Will he not use some of this money now to specifically target and help retrain some of the 1,300 unemployed workers at Firestone?

**Hon. Mr. Peterson:** Of course we will work with the workers. My honourable friend has done some research into the matter and will realize that we have one of the most successful employee adjustment programs, chaired by Anne Jones. There has been a lot of conversation and counselling going on. We have been aware of this problem for some time.

If my friend is asking me to make a connection between the \$30 million and the assistance to workers, I am not sure that is appropriate in the circumstances. However, I assure my honourable friend, being given this very troublesome situation, we will do everything we can with the workers using existing programs, and other ones if necessary, to try to retrain them and relocate them as best we possibly can.

**Mr. Jackson:** Last week and today the Premier has indicated that his government has some form of commitment. He has even been on record as indicating that his Transitions program has somehow been successful, but he made an election promise last August in Hamilton when he knew that the seat of the Minister of Culture (Ms. Munro) was in some degree of jeopardy in the Hamilton area, he made a clear promise to the workers in Hamilton that \$14 million would be spent on Transitions programs.

To date, according to his own minister's response to an Orders and Notices question, he has spent \$62,000 on Transitions programs in all of Ontario. He is training 23 people in the whole province of Ontario and the federal government has 75 Firestone workers alone training at Mohawk College.

The election is over, the member won her seat but the Premier has not kept his promise. When will he start spending the necessary dollars to keep retraining commitments to older, unemployed workers, such as the Firestone workers? He made the election promise to spend the money and now he will not.

**Hon. Mr. Peterson:** I hate to disagree with my honourable colleague in almost everything he has said, but he is completely wrong. For example, he gave the impression that the honourable Minister of Culture's seat was in some jeopardy in Hamilton. The only seat that was in jeopardy in Hamilton during the last campaign was his. My honourable friend knows that. If Hansard could only record the fear that is coming forward on his face at the moment, it would be delicious reading for all.

When we have a program, a budgetary allocation is made. We are prepared to sign up to the amount of the budgetary allocation, depending on the uptake of the program. It is a program that is relevant in this particular circumstance, and obviously one does not spend it before there is a demonstrated need, but it is there and the uptake is ready for the workers as deemed necessary.

#### BARRIE JAIL

**Mr. Owen:** I have a question for the Minister of Correctional Services. The present Barrie Jail was built in 1843 to accommodate 32 men. It is still there, still in use and two subsequent additions have increased the numbers up to 82 men. On a typical day it would accommodate close to 100 men, plus women. In the old part of the jail there is no light in the cells and no toilet facilities; they have to use a pail under the cot. It is very crowded. What can be done to help alleviate this situation of crowding and inadequate facilities at that particular location?

**Hon. Mr. Ramsay:** I appreciate the member for Simcoe Centre giving me all the details about the Barrie Jail. I visited the Barrie Jail about a month ago, as the member knows, and I share the concern that the member has for the facilities there.

I hope the member would know that we have embarked upon a long-term capital improvement program. The Barrie Jail construction is under way right now, and I hope to be able to announce in about three or four weeks that the initial construction has been completed.

As far as the long term is concerned, I am also making sure that the Barrie facility is high on the



priority list of further capital improvements because I do share the concerns of the member.

**Mr. Owen:** As has been pointed out, the original building is a heritage building and I think we have probably the only remaining circular wooden staircase remaining in a jail in the province. I have seen some others, but they all seem to be of other construction. If the minister is proposing an addition, as opposed to a completely new facility, what will be done to preserve the heritage aspects of the Barrie Jail?

**Hon. Mr. Ramsay:** I would assure the member that any additional work or rehabilitation to the Barrie Jail will make sure that the historical integrity of the building is kept intact.

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#### PRA INTERNATIONAL INC.

**Mr. Philip:** I have a further question to the Premier, who will recall that John Kruger was appointed by him to review IDEA Corp. and to set up the phasing out or phasing down of IDEA Corp. In the 1985-86 Ontario Development Corp. report, it lists a loan in the amount of \$500,000 to PRA International. Is it safe to say that John Kruger would have been aware of that loan, and can the Premier tell us what the purpose of the loan was? What exactly was the process of approving that loan that was listed in the ODC report?

**Hon. Mr. Peterson:** The member is referring to a loan from the ODC? My honourable colleague went through a number of loans that had been advanced to PRA under a variety of programs, export development and others, but I am not sure if there is something there I am not aware of. I have no idea whether Kruger was aware or not.

**Mr. Philip:** I am sure the Premier is aware that ODC took over the IDEA portfolio. It lists a loan of some \$500,000, and my question was fairly specific. Would John Kruger have been aware of that, and therefore indirectly would the Premier have been aware of it? What were the direct connections in the approval of that \$500,000?

My further supplementary to that is: Is it not fair to say that the Biddell report, which Mr. Biddell told the standing committee on public accounts was finished in February, would in fact, under its term of reference, have dealt with the specific matter? If so, why will the Premier not release it to the Legislature so that we can all see exactly what happened to that money?

**Hon. Mr. Peterson:** I understand that my honourable friend has concerns. The minister

laid out some of the advances that have gone through, export support loans for \$500,000, up from a previous line of \$250,000. That may be the amount of money my honourable friend is referring to. What he was aware of, I am not sure.

As far as I know, the details of the specific loan applications were not dealt with by Mr. Kruger. He was doing an overall review of the general policy implications.

If my honourable friend has concerns, and he may well have a legitimate concern, I would recommend that he get in touch with the Provincial Auditor and ask him to investigate that particular aspect of it. I am sure all those facts will be made available to him and to all members of the House.

#### EMERGENCY TELEPHONE NUMBER

**Mr. Eves:** My question is to the Solicitor General. Can the Solicitor General tell the Legislature whether or not the Ontario Provincial Police are hooked into the 911 emergency service number throughout Ontario?

**Hon. Mrs. Smith:** No. At this point the 911 number is hooked into many of the municipalities and areas in the province, but some of the areas are into the 5500 number, I believe it is.

As the member has suggested, we are looking into the possibility of expanding the 911 service; indeed, efforts are already being made to expand it. There is one person on staff who is working particularly on this issue of expanding this service. It is an expensive service. Where it does not exist, the 5500 number does exist.

The important thing is that when you make a call it get to the proper police who are closest at hand at the right time, so this is a very mechanical system. At this time we take advantage of the best machinery available to get the person who calls to the closest police car.

**Mr. Eves:** I am glad to see the Solicitor General has broadened her knowledge somewhat on 911 since Tuesday last week, when I asked her the question. However, she says "a number of municipalities." The exact number covered in the province by 911 is 11 out of 800-odd municipalities in Ontario.

While there may be different emergency service numbers, the whole purpose of 911 is to have one number province-wide to provide emergency response service in the least amount of time possible. In the last few months the lives of several residents in Ontario have been lost, as a result of lack of response time, by using 911 when it was not available in their area of the province.



The Solicitor General could make the commitment here today to the people of Ontario that she will take steps to ensure that the 911 service is made available to every single community and person in Ontario. Would she not agree that a very good place to start would be by implementing it province-wide for the OPP, the police force that comes under her jurisdiction, the provincial police force? Would she make that commitment today?

**Hon. Mrs. Smith:** Indeed, it would be impossible to make a commitment today to a service that is not technically possible or municipally acceptable today. This is a very costly service. It is done by the municipalities as part of their policing effort.

What will be done is to continue our efforts to make everybody aware of the proper call to make in an emergency and to make sure that the response they get is as immediate as is possible in their particular locality.

#### SHELTER FOR THE HOMELESS

**Mr. Callahan:** My question is to the Minister of Housing. Recognizing the fact that the minister has probably one of the toughest portfolios in this government, and recognizing the fact as well that there is a scarcity of temporary as well as permanent housing, I would like to put this question to her.

Many university and community college students, who either by choice or by necessity live off campus, lease accommodations for a 12-month period. Since the school year, university or community college, is roughly about eight months, there are four months left of leasable time throughout this province in the various areas where we have universities and community colleges.

I would ask the minister if any consideration has been given, either by herself or by any of her colleagues, to the use of this leasable space as temporary housing.

**Hon. Ms. Hošek:** There is certainly nothing to prevent students from subletting their homes for the summer to people who need accommodation. As I understand it, there are various municipalities that maintain registries of people who need accommodation, so that would be one way of getting the people who need the space together with the people who have it.

Our concern about people who do not have accommodation is providing permanent accommodation, and that is the reason we have made the announcements we have made about providing permanent accommodation for homeless

people. It is also the reason we will be announcing later in the month the 6,700 allocations to the nonprofit groups that will be building permanent accommodation.

**Mr. Speaker:** That completes the allotted time for members' questions.

**Mr. Callahan:** On a point of privilege, Mr. Speaker: I specifically looked at the clock and there was one second left when I rose for the supplementary question.

Interjections.

**Mr. Speaker:** Order. As has been the custom in the past, when the 60 minutes have elapsed, I have therefore said that the time for oral questions has expired. Do I have agreement of the House to allow the member—

**An hon. member:** No, certainly not.

**Mr. Speaker:** No? Sorry.

#### ANSWER TO QUESTION IN ORDERS AND NOTICES

**Hon. Mr. Conway:** I wish to table the answer to question 27 standing in Orders and Notices [see appendix at back of this issue].

#### ORDERS OF THE DAY TRADE WITH UNITED STATES (continued)

Resuming the adjourned debate on the amendment to government motion 8 on the proposed trade agreement between Canada and the United States.

**Mr. McLean:** I am very pleased to take part in this debate. It has gone on for some time and I want to put a few things on the record.

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**Mr. Speaker:** Order. Is there a problem here?

**Hon. Mr. Conway:** On a point of order, Mr. Speaker: I might stand corrected, but I have been following this debate with great interest and I believe the member for Leeds-Grenville (Mr. Runciman) adjourned the debate on the last day. I presume, if I am correct, he is not returning today to continue that speech. I am very anxious to hear my friend from Simcoe East, but I just wanted to indicate that the member for Ottawa South (Mr. McGuinty), on the rotation, was prepared to address the assembly with his remarks as well.

**Mr. Speaker:** That is the usual process of rotation. The member for Ottawa South.

**Mr. McGuinty:** Mr. Speaker, with your indulgence and that of the honourable members, I would offer a few comments on one aspect of motion 8 dealing with the matter of the free trade



agreement between Canada and the United States which I believe thus far has been but slightly treated.

My comments have to do with the cultural implications of the free trade agreement. What I have to say is with particular regard to an old maxim which I have been unable to trace, but it has such distilled wisdom it must be Irish. It says very simply, "Let me write a nation's songs and I care not who writes its laws."

President Reagan stated recently, "The free trade agreement constitutes a new economic constitution for North America." William Randolph Hearst Jr., editor-in-chief of the Hearst newspapers, has written: "The momentous move toward uniting the two countries economically is very gratifying for me. For more than a decade my father urged in his newspapers that Canada become part of the United States."

Premier Peter Lougheed, co-chairman of the Canadian Alliance for Trade and Job Opportunities, stated: "Let's not...talk about culture; we've heard all about that....Let's look at the merits of the deal and what it will do for the economy." When Mr. Lougheed and others on his side deal with the cultural implications of free trade, I would respectfully suggest that they are attempting to deal with something beyond their intellectual depth and are blissfully unaware, ignorant and indifferent to the cultural implications of what he and his colleagues are up to.

In 1983, Brian Mulroney stated: "Free trade affects Canadian sovereignty and we will have none of it, not during leadership campaigns nor at any other time." Perhaps the most telling of all is the recent reaction of Mrs. Pat Carney to the United Church of Canada and the Canadian Conference of Catholic Bishops, who endorse the United Auto Workers' advertisement opposing free trade for its cultural and economic implications. She stated, "There is a lot of danger in a church group lining up with the opposition parties on economic issues." She is reported to have stated that she might even launch an inquiry to determine whether the automobile workers' statement fits into the category of misleading advertising. Actually, she threatened this.

Liberal House leader Herb Gray has commented, "The free trade issue is bigger than the Constitution, bigger than the national energy program, bigger than the National Transportation Act—even the Confederation debate. For the free trade deal in fact constitutes a large and probably irreversible step into the American embrace."

I do not understand the full scope and implications of the deal, having read it and having focused on article 2005 that has to do with the cultural industries and the qualifying articles 401, 1607, 2006 and 2007. But then I feel that I am in good company with the Canadian people and with other observers more qualified than I.

My contribution to this debate is based upon some studies of the notion of culture over 35 or 40 academic years, with the good guidance of people such as Thomas Carlyle and Matthew Arnold, T. S. Eliot, R. H. Tawney, Alexander Solzhenitsyn, John Courtney Murray, Northrop Frye, L. A. Cormican, Sir Richard Livingston, and the king's treasures they passed on.

These names are not as well known perhaps as the newspaper editors and columnists who were cited by my honourable colleague the member for Leeds-Grenville (Mr. Runciman) last year. Proponents of free trade preoccupied exclusively with the economic implications would doubtless look down their noses at such authorities, but I respectfully remind them that their noses have a peculiar 20th-century length.

But of all the influences, I think I am indebted most of all to my parents, people who served this country more effectively than I could and who loved it much more unequivocally, and my children; also to those many people whose love of this country, and sacrifice and service, took the idea of culture out of the abstract and who imparted a sense of pride, a love for Canada, a desire to pass on something of value to our children. They have contributed most of all, ordinary people who served our country well, who loved it, and some of my buddies who died for it. But they were a type of so many ordinary Canadians today who feel deeply about our country, about the cultural effects of the proposed economic union with the United States which free trade will bring about.

Culture is sometimes limited, in error, by its reference to a kind of intellectual élite, the highest level of cultivated intelligence. This presentation will impose no such narrow limit. Canadian culture refers to the whole pattern of life and thought in Canadian society. It is the embodiment and reflection of Canadian cultural identity in social institutions and patterns of life, thought and behaviour.

Our culture is reflected externally in the arts and sciences, religions, systems of technology, political practices, social institutions and programs, and even in the small intimate habits of daily life which reflect, however subtly, distinc-



tive Canadian concepts, attitudes and interests which go to make up our cultural inheritance.

Culture is not only about the arts. It is about the way people live, the atmosphere in which they imagine and express themselves. From this aspect, Canadian culture is something ingrained in the hearts and minds of Canadian people, a product of history, race, environment. It is a matter of the heart rather than the head, of emotion. Love of country is an emotion, and so is greed.

### 1510

We share a country which has inherited the visionary vision of our forbears, a patrimony passed on by our Fathers of Confederation, who made an act of faith without parallel in modern times and acted heroically to build a nation, to make economically viable a political union with little capital and industry, to link together the people of this country into a nation; and they undertook that project in the face of obstacles which, in retrospect, make their ambitions seem almost an impertinence: men of courage and vision, the courage of farmers and explorers facing a harsh landscape, not the courage of businessmen speaking the language of the American marketplace.

In fact, our Fathers of Confederation gave a good example with regard to free trade. In 1878, Sir John A. Macdonald won an election on the issue of the national tariff policy, and he stated, "You cannot get anything by kissing the feet of the people of the United States." The Conservative Party has reneged upon the visionary zeal of Sir John A.

Then again, in 1911, the Liberal free trade deal with the United States was decided in an election. Sir Wilfrid Laurier put the issue to the Canadian people: "The issue, my fellow countrymen, is in your hands and to your decision His Majesty's government in Canada is well content to leave it." The decision of the voters was against free trade.

Canadian cultural identity is something about which Canadian people continue to have strong feelings and which they have not yet been given the opportunity to express, because they have not really been asked the proper questions.

In keeping with precedent, it would be contrary not only to our constitutional tradition but to the very principles of democracy for any government to change our society so fundamentally without first receiving a clear mandate from the people, an election where all politicians of all parties will put their jobs on the line. Mr. Mulroney has no such mandate.

The Tories have nearly 12 months before the proposed agreement comes into effect in January 1989. Because party policies on free trade are so diametrically opposed, an election would be a good way to gauge public will. Elections on such matters are clearly a part of Canadian history, a kind of constitutional tradition. The free trade issue of this moment must be seen in the light of the past, in the perspective of history past and as it may unfold.

Those who would endorse free trade most vigorously, without reservations, are reminiscent of Thomas Babington Macaulay, who, in the Victorian age, personified the smug, self-satisfied complacency of his time with his trust in the self-sufficiency of material progress alone, his inability to see the developments of the present in the light of the future. Men such as Carlyle and Ruskin, Newman and Arnold were men of vision. They were concerned with progress and reform in terms of other than material things and they reprobated Macaulay's complacency and trust in machinery, mechanical and political.

On Macaulay, Carlyle passed the severest verdict, simply, "He had no vision." And so it might be said of those who would rush into free trade in the light of immediate economic effects alone. In this debate thus far attention has been focused on the ideas of a few and those preoccupied with the economic dimensions of free trade:

A Prime Minister without vision, whose formative years were spent as an American branch plant manager; a negotiator, a man I have known for 30 years, better known for his flamboyance, abrasiveness and financial acumen than for his vision which does not go beyond the economic, a man proud of his humility, who says, "I am proud the Prime Minister reached out and picked the best man for the job"; a Minister of Finance with the kind of cultural insensitivity and vision which Bay Street engenders; a chairman of the royal commission on the economy, Donald Macdonald, who reprimands opponents to free trade in terms that I remember from the Harvard Business School, terms of the American marketplace when he says, "I don't see Canada as a sort of sheltered workshop for the inefficient, the incompetent or the less than capable."

Others are limited to provincial views or reflect as much insensitivity to the issue of Canadian culture as they do for the problem of acid rain. This is to be lamented. Free trade does not deal merely with a tax hike or highways or



cheaper American wine or used cars or duty free shopping in the United States.

Free trade is not, all of one piece, economic. In fact, it is entirely a question of culture, a matter of the kind of society we will pass on that is comprehensive, encompassing the ownership of our resources, the right to manage our economy, trade, regional development, social programs and cultural industries, to be master of our own house, a house in which our historical development, east-west, would be diverted.

This has to do with our cultural identity, our control of the areas and issues which go to make up Canada's identity so as to enhance and preserve it, our vision of society and the responsibility and the right to pass on something of value to our children and to theirs, for surely we do not inherit the land from our ancestors; we borrow it from our children.

Those in the foreground of this debate thus far would appear to be oblivious to the cultural implications. This is to be expected, for the creative insights into the heart of this cultural matter are in fact most powerful where they are least recorded and most difficult to observe and most ignored by the media from day to day: in the minds of everyday people and in the traditions of working Canadians. Polls in this regard have been notoriously misleading. The operative word in, "Are you in favour of free trade?" is "free" and responses are predictable, as they would be if the question were with regard to lunch or speech.

It is significant in Maclean's magazine of today, in the Decima Research used by Mr. Mulroney, that if we look back over the last three years, in 1985 when people were asked, "Do you think free trade is a good step?" 75 five per cent said yes; in 1986, 67 per cent; in 1987, 49 per cent. Conversely, when they were asked, "Do you think free trade is a bad step?" in 1985, 22 per cent; in 1986, 30 per cent; in 1987, doubling that of 1985, 44 per cent. In other words, the leadership of this government is not out of directive in response to polls. Our leader is leading the polls.

**1520**

What if we asked the Canadian people, "Are you in favour of giving up those things which have developed as reflections of Canadian culture and identity?"—things that enter the daily lives of most Canadians: health insurance, unemployment benefits, regional subsidies, magazines and periodicals, recorded music, subsidies for the arts, autonomy in foreign affairs, our ability to behave independently in the world and visibility in the arts and entertainment.

Given to understand what the real issues are, the Canadian people will not be lured by the false profits promised by false prophets.

Canadian culture is reflected in many ways. We have a country bilingual and bicultural, with due respect for the distinctive language and culture of our two founding peoples, a country with a heritage British and French, where the rights of multicultural minorities are defined along with the corresponding duty to recognize these rights. This is contrary to the American melting pot approach: to reduce cultural identities to the lowest common denominator.

We have a country with social programs with respect to medical services, regional subsidies and social assistance, all of which reflect a people humane. These programs will be vulnerable to challenge under the US trade law as unfair subsidies.

We have a country where forces have been set in place to unify: the CBC, the Canada Council, national theatres and countless regional bodies. As a result, Canadian people have a sense of history, tradition and identity and are striving to maintain it. It is paradoxical that, in some ways, those Canadians but lately arrived tend frequently to be more sensitively appreciative of that distinctive character. I have learned so much from my Italian friends in this regard.

We have a country different from the United States, with a quality of life envied around the world. This is not only a descriptive statement; it is a qualitative judgement.

We have a country which, in its present state, is a product of our forbears, men of vision, with a vision of a caring and decent and fair-minded society, and we have practical programs to reflect this: medicare to ensure that all are provided with a basic health and decency standard of medical care and social programs which care for the needs of the elderly, the needy and the homeless.

We have a society caring and compassionate, with feelings of mutual responsibility for one another, with recognition of the fact that the rights of all are diminished if the rights of any one are infringed. Our multicultural environment is flourishing. Our cities are vibrant and healthy and safe. We live in security and we are continuing to build on the visionary foundation of our forbears.

This view of Canada is not mere self-satisfied, complacent chauvinism by a few who would look for the excuses to be negative, who are "dominated by fear and weak of will," as Mr. Wilson alleges, as he speaks at us in terms of the



American marketplace. Nor is it based on a conservative, inward-looking, outmoded, status quo vision of the world by some few who would maintain, as Mr. Reisman says, "a small Canada, a protected Canada," for we do not have a perfect society. Too many are poor and homeless and in many other ways the fallout victims of impersonal economic laws beyond our control.

But there are mutual feelings of concern which transcend political differences. No one of our parties can lay exclusive claims to a social conscience. Canadians of all political parties can continue to work together to make Canada a better place, to build on our inheritance and achievements and to look with confidence to a bright future.

Free trade will restrict our ability to solve our problems in our own way. Culture may not be measured with the kind of standards applied to economics, nor can the eroding influence of free trade upon cultural identity be projected in quantitative terms. Culture is a concept somewhat more elusive, intangible and, as such, may be somewhat beyond the comprehension of those who think only in economic terms. It is more a feeling of the heart than of the head.

But then the heart has its reasons, and we have seen it in Canada, in the people that this culture of ours has produced, Marshall McLuhan, Northrop Frye, Ursula Franklin, Davidson Dunton, Lester Pearson, Margaret Lawrence, Margaret Atwood and the Group of Seven. We should ask ourselves, could these people have emerged from the American melting pot?

Ordinary Canadians may be somewhat limited in their capacity for thinking about principles involved, are perhaps unable to defend their convictions or state their fears in sophisticated, philosophical terms. Perhaps they have been sometimes confused and intimidated by issues which have been made to appear complicated. While they might not reflect an intellectual grasp of culture, they share a grasp of fundamental truth, an interest in fundamental things. With their intuitive grasp, they appreciate and share our concern for Canadian cultural identity which has been traditionally a humanistic aspiration, connatural to Canadian hearts.

They are convinced that in Canada there is something distinctive of value, which they would not give up, for their children and theirs. They see around them a culture that nurtures, feeds and protects their children, not one of fear and violence with 20,000 murders a year, where more people are murdered each year in Oakland, California than all the people killed in the bloody

years of sectarian violence in Northern Ireland. That is one of the products of modern American culture.

We know, ordinary Canadians know there is a big difference between our culture and the culture of the United States. We do not want to be a part of the melting pot. I have lived in that culture, in Chicago, in Boston and in Dallas, and Canadians have a right and an obligation in this regard. What we have going for us in Canada is surely something different than things American.

Are there Canadian parallels for the redneck atmosphere of Dallas? The ghettos of New York? The American tendency to measure all things in terms of dollars—American, that is. Is there any part of Canada where anyone over the age of 21 is permitted to pack a concealed hand-gun, a knife, a club or tear gas, a Florida right mercifully limited to exclude certified lunatics and convicted felons?

### 1530

Would the Canadian temper give rise to the National Rifle Association, with its distorted interpretation of the constitutional right to bear arms? Do we have a paranoic sensitivity of the kind that would exclude that well-known international conspirator Farley Mowat from entry? Do we view our culture as the Americans view theirs, with the assumption that their culture is culture in the absolute sense, a view reflected in American foreign policies, economic and political?

Culture may be taken also to refer to a particular sense of advancement of a civilization, the characteristic features of such a stage. In this sense, a culture has been described as a community which owes its unity to common beliefs, far more than to any uniformity of physical type. Surely American cultural identity in Canada is at such a stage.

To consider Canadian culture at a particular stage, embryonic, tentative, somewhat unsure, is relevant in the context of considering the cultural implications of free trade, relevant in the sense of being pertinent and timely in a vital sort of way. The present state of Canadian culture is one in which our cultural identity is somewhat formative, fragile, pathetically susceptible to external influence, the effect of our vast region, the dispersement of our population, the bilingual, bicultural, multicultural aspects of our character, our regional disparities.

Comparison with the European Community simply does not stand up. If you have visited Europe, you have visited countries, adjoining



neighbours, whose respective cultures are rooted for thousands of years in the past, not as ours.

Americans tend to think of their culture as culture in the absolute sense, the culture by which all others are to be measured, with the implicit assumption that everyone everywhere would benefit from and welcome their infusion and domination. This is an effect of American schooling which ingrains this view from infancy, and of a host of other influences, social, political, economic. Their ignorance of Canada and other places, geographical and social, is commonplace, and their attitude towards Canadian culture is at best insensitive and indifferent.

Put that to the acid test. It is a fact of our cultural existence that we have had to strive in years past to resist the almost inexorable dominance by American cultural influences, influences the effective force of which free trade would surely intensify. Canadian content regulations, publication subsidies, the Canada Council, Secretary of State subsidies to the arts have all been set up for this purpose. The school, as an agent of enculturation, works to this end, and the home and the church, safeguards deemed to be necessary. How much more so in the future?

Whether or not Canadian cultural identity is targeted directly with respect to the cultural industries, as they are called, the economic intrusion and dominance into Canada of the kind that free trade will bring about will have spinoff effects, restricting our ability to promote and preserve Canadian cultural identity. This is a predictable fact, and that fact has implications.

To paraphrase and reapply the imagery of Cardinal Newman, quarry the granite rock with razors or moor the vessel with a thread of silk, then may you rely on such precarious safeguards as cable operators' copyright fees, domestic content requirements on Canadian TV productions and book publishing regulations to contend with giants, the forces of economic union, the acceleration of the impersonal economic and social laws which will produce cultural fallout, outsiders who do not understand or appreciate the roots of our Canadian culture.

This has serious implications for our future and for the land that we will pass on to our children. There is need for vision with respect to what may unfold. For what avail would be an increase in our material prosperity if there should be a qualitative decline in the standards of our culture?

What would be the fruit of social and economic changes which will surely follow hard upon economic union if they do not work for the

total betterment of Canadians, whose lives they surely will condition? Of what avail will be increased material affluence if purchased at the price of a distinctive Canadian cultural identity, which is reflected in a thousand ways and which makes us distinct?

Will we move in that direction as foreseen 50 years ago by Sir Richard Livingston, "a civilization of means without ends; rich in means beyond any other epoch, and almost beyond human needs; squandering and misusing them because it has no overriding ideal; an ample body and a meagre soul"? Will our children and theirs, who will face the problems of the third millennium, live in that world envisioned by T. S. Eliot, with the mass of men wandering the wasteland of the spirit without clearly defined goals, looking back to our achievement on this continent, our only monument "the asphalt road and 1,000 lost golf balls," depleted oil wells, gutted mines and ravaged forests?

Failure to achieve identity, to lose it, is with all the propriety of theological definition, hell. In diminished forms, it is insanity. It would not fare well for the Canadian giant to go lumbering about the international world in the next century without identity or with a character little more than a limp shadow of its American cousin, or absorbed, having tried to ride the back of the tiger and ending up inside it. For Canada to do so would be to surrender a great vocation, to exert an influence for good, throughout the world, not merely by our material strength but by our civilization.

The built-in safeguards to ensure Canadian cultural sovereignty in the free trade pact would appear to be mainly with respect to the so-called cultural industries: television, book publishing, magazine distribution, recordings and, notwithstanding such cultural safeguards, American dislike of future policies could provoke countervailing penalties.

**1540**

In fact, the claim that Canada will retain full capacity to support cultural industries in Canada is untrue. The agreement does not state that Canada retains full capacity to support its cultural industries, and they may be threatened, as they have been in the past. Americans would retain the right to redress any future programs supporting cultural industries; in effect, a right to veto future cultural development policies even though Canada in future considers new policies to be necessary in the interests of maintaining Canadian cultural identity.



The deal does, in fact, limit our powers to introduce new initiatives on the cultural front and grants the legitimacy of US retaliation against measures we take to support our culture.

The definition of what is to be a legal subsidy, and which industries are to be affected by their definitions, is to be determined over the next seven years. In future, after Canada has given away its major bargaining chips, we will have little influence on the way the US wishes to define an illegal subsidy, of particular importance to what may happen to cultural issues. Many of Canada's current practices may be considered unfair barriers to trade.

Let me ask members to consider: Even were such safeguards, as stated, to be effectively operative over the cultural industries, would this be sufficient? In fact, the very phrase "cultural industry" is misleading, offensive, itself uncultured. It reflects a superficial insight into the matter at hand, the whole issue of the impact of economics upon culture, one which even baffled the mind of the philosopher Hegel.

The phrase "cultural industry" implies that culture is something produced by magazines, television and radio. These are not agents for production so much as the reflection. Culture is something operative and productive in the minds of people, reflected in attitudes and interests. Culture reflects how a people lives. When people no longer live as Canadians, independent, different, distinctive, in control of their destinies, why would one want to be a writer in Canada, a Canadian writer?

The fact that our Canadian film industry will peter out, that our literary magazines, upon which young writers depend for market entry, will disappear will be somewhat academic, for these reflectors of Canadian culture will no longer have much of value, distinctively Canadian, to reflect.

The home, the school and the church are our primary agents for enculturation, means whereby the older generation protects itself from the younger. The cultural industries play their part, as reflectors, but it would be naïve to rely unduly upon them, even if protected, for they are surely dubious agents on which to rely for something so important; a perilous place to deposit what ought to be kept more safe and transmitted more constantly and more completely.

The cultural industries, like the public mind, which is itself a repository of our cultural heritage, is subject to the corrosive rust of scepticism, the voracious appetite for the sensa-

tional, the incessant thieveries of indifference and the intrusive demands of market profit.

I conclude by saying that emphasizing the issue of Canadian cultural identity in the free trade debate has been dealt with in ways at best superficial and inadequate. Some participants thus far have reflected insensitivity, blissful ignorance, an intellectual depth inadequate to come to terms with the issue in substantive ways and, worst of all, without vision.

The Canadian people must be given the opportunity to express their views, for they share an intuitive insight in this regard beyond the understanding of those whose views are exclusively economic. Many Canadians are concerned about the cultural identity effects of the free trade pact, effects which could go far beyond what is surely the intent and is not envisioned.

Unless those who are concerned stand up, in the not-too-distant future, our children will look back and speculate about what might have been but was left undone by those of us who are here to preside over the erosion of our Canadian cultural identity and the days when our time ran out. No one ever made a greater mistake than he who did nothing because he could do only little. I hope that others in Ontario and other parts of Canada will stand up and contribute to this debate, those in the arts and humanities as well as the social sciences. The economists have had their say. Everyone has an obligation in this regard.

Universities have an indispensable role, and I ask my colleagues of 35 and 40 years in Ontario universities when they are going to stand up. Universities are the critical, reflective intelligence of our society, with a responsibility to promote the growth of knowledge, understanding and judgement, to increase awareness, perception and enlightenment in society at large. As public institutions open to the public and supported by public funds, they have a responsibility in this regard to serve the public good. One would expect they will have something of value to contribute to this debate.

I am convinced that those who express concern about the impact of free trade upon Canadian cultural identity speak not on behalf of a small, eccentric group of cultural nationalists existing on the periphery of Canadian society, but on behalf of many Canadians who are concerned about the welfare of our country, present and future, people who believe that our future is Canadian—not continental and not American—Canadians who want to be who they are and are concerned to strengthen our resolve.



It is in this spirit that we should exercise our right and our duty to join our fellow Canadians from all parts of Canada—this is not a provincial matter—as co-operative partners with a common task to ensure that forces at work are consciously controlled, not merely allowed to happen and to do this in debate of the kind which is the mark of the civilized community.

Not with name calling, in heat.  
But with light.  
And with unfailing courtesy.  
Which is much less  
Than courage of heart or holiness  
For in all my Walks  
It seems to me  
That the Grace of God  
Is in courtesy.

1550

**Mr. Adams:** On a point of order, Madam Speaker: I know there is no provision for us to comment on such a magnificent, thoughtful and moving address. There was a technical point in it which, I think, if it were enshrined in Hansard, might cause some problems. I wanted your guidance on how I might address that.

**The Acting Speaker (Miss Roberts):** With respect to your point of order, I do not really understand what you are trying to get at, but I assume your point of order deals with the standing orders. I think you should confine yourself to the standing orders and not to the information that was in the speech itself, so I do not find it to be a point of order.

**Mr. R. F. Johnston:** On a point of assistance to the member through a point of order, Madam Speaker: The only way the member can correct the record is if you tell him what his mistake was and then he can stand and correct his own record.

**Mr. Allen:** Madam Speaker:

When I went up to Ottawa,  
I met a man who sang tra-la.  
What did you do with the country today?  
I gave it away to the USA.

That little jingle by Dennis Lee, probably Canada's most famous children's poet and adult poet of no mean proportions, does not say too strongly what happened on January 2, both in Ottawa and at the holiday hideaway of President Reagan when they signed the so-called trade deal linking our two countries, not in a form of free trade per se, but in a deal which strikes, I think, in the longer run at the very roots not only of our economy in Canada but also of our culture. I want to say that I was very moved by his address. I wanted, too, to come back to some of the cultural

issues the deal raises for all of us, but not before having made some additional and preliminary comments.

I think it is a time when we all might be a little personal about this debate because so much of it so far has been in terms of the economic issues at play, held at arm's length in the press, written about here and there by journalists. But seldom have I heard individuals stand up and say how their lives have been enmeshed with the very fabric of this country and how that has happened and how it relates to their understanding of who they are and how it then relates, finally, in turn, to this kind of economic arrangement which threatens so seriously the very structure and indeed the history of our country.

My family came to the northern half of the North American continent from several routes. They came as prerevolutionary loyalists from Rhode Island into the Maritimes. They came as Yorkshiremen from England to Nova Scotia. Part of that family got itself mixed up in such a way that part of the roots of my family go back to Charles Le Moyne, the famous seaman of New France. Irishmen from Ireland in the 1840s arrived in Upper Canada and are part of my past. All those segments of my past progressively marched westward across this country.

The Maritimers moved to Quebec and then they left for British Columbia. The Upper Canadians moved from Upper Canada to Saskatchewan and thence to British Columbia. In my turn, I have marched backwards, having grown up on the west coast, having worked and lived in Saskatchewan and now in Ontario, having lived at least a year of my life in Quebec, and having married a Ukrainian girl whose parents came in the 1920s and were part of the opening up of northern and northwestern Ontario. People like myself and like those who sit in this chamber have a deep and intimate sense that their roots penetrate every aspect of this country. Our westward march was typical of the way this country was opened.

There has been a long ongoing debate in Canadian history over the issue of whether this country is an artificial construct in defiance of geography, whether it should not have been a part of the north-south grain of the continent because it seems so logical that the parts that lying on either side of the border belong to each other. But when you ask yourself the question, as our principal historians of the 20th century did in the wake of that seductive continentalist theory by Goldwin Smith in the 1890s, you come to one inescapable answer.



The answer is that the logic of the North American continent was that it had to be opened up east to west, that the cultures and the trade patterns that developed there had to run that way by virtue of the staples that were pursued across this continent, whether it was beginning with cod, moving on to timber, into fur, on to wheat, into mineral extracts or what have you. They led us across the nation and those different sections of the nation traded with each other on an east-west basis and then west-eastward across to the European metropolis.

The whole foundation of the nation and the logic upon which it was built was east-west, and properly; this was not an artificial construct as a nation; it is a nation that is properly east-west in its foundation.

The second thing that needs to be said about our history as we confront this debate is that the American Revolution, we must all remember, created two nations on the North American continent with very different traditions, both of them proud traditions but very different traditions. We all know the upshot in our constitutional structures, that on the one hand the fundamental presuppositions of the American republic were individual life, liberty and the pursuit of happiness, and that the fundamental orientation of the Canadian Constitution and the bias of our culture has been peace, order and good government.

There has been a social and cultural dimension, a collective dimension to Canadian life which was not expressed in the fundamental assumptions of the American republic. The elements the previous speaker referred to, for example our different gun laws, reflect in very fundamental ways our different concepts of society and the relationship of each individual to that society, and what one could count on as an individual person in terms of the social supports. It is not that one had a right to wander around with a weapon to defend one's self, but that one could count on the community, that one could count on one's society and on one's government to provide the kind of order and structure of life that made it unnecessary for each individual to have a gun in his bedside-table drawer at night.

That is a very fundamental conception, a very fundamental difference. If you ask yourself further about the culture of this nation that one is attempting to preserve as a Canadian under all circumstances, whether in the context of this debate or any other debate that has far-reaching implications for Canada, one has to recognize

also that the roles of government in those two societies have been dramatically different.

#### 1600

As I said in another context to another group, one could almost say in a sense, as far as the Canadian experience is concerned, in the beginning was the crown corporation. Government was that prominent. From the beginning, when our primeval trading arrangements began to exploit this country, they did it through government initiative. When it came to the railway-building era, we had a massive intersupport system between private enterprise and government, such that it was possible to say that the day after the Canadian Pacific Railway goes broke, Canada goes broke.

The interesting thing about that was that it was a very different kind of way of doing things. That mix of private and public enterprise in Canada ushered in the only transcontinental railway in North America that did not go bankrupt. In other words, our way of doing things in terms of that kind of mixed economy, in terms of private-public co-operation, proved itself in one of the very fundamental east-west institutions created to maintain our country. We know that was not the only one but it was the major early example of that. One can cite it again for the canal era. One can cite it again for the modern era of transportation and communications, the Canadian Broadcasting Corp., Air Canada, and what have you. That is our pattern. We all know it; we recognize it.

What we have confronted with the trade deal is a political alliance between a Prime Minister and business groups that support him and his party and the Reagan administration in the United States that has a political agenda. That political agenda essentially is to undermine that history, that historic mix in Canada between private and public sector initiatives which has underlain so much of the structure of our country.

Even though one can certainly argue that this particular deal is not a free trade arrangement—and I would not present it as such—none the less, the assumptions which have underlain the origins of it and which lie at the other end, down the road, are those of the complete free market apologists of North America and elsewhere that are summed up in the politics of the Reagan administration and of Mr. Mulroney, supported by such agencies across the country as the Fraser Institute, which gets its instructions from Margaret Thatcher and her whole privatization crew in London.



It is very interesting to me, at least, that those presuppositions in fact do not correspond to the realities of either of our economies. Because if we ask ourselves whether there does exist under the Reagan administration, for example, a free market, unencumbered by legislation, unencumbered by political arrangements or public consensus about free enterprise or what have you, and its limits, then we would have to say that does not exist. But the interesting thing about the politics that we are into in this debate is that much of the argument on the other side is fuelled by the mythology, not the reality but the mythology of the free market.

It is quite obvious that if one compares, for example, the two economies that we are dealing with, the Canadian and the American, one of the striking differences is not that the American is an unsubsidized, unregulated economy and that the Canadian counterpart is, but that both of them are managed economies. The American happens to be principally managed and subsidized by massive defence spending while the Canadian happens to be subsidized and managed in significant ways through social programs.

If one wants to make one's choices at that level, I think it is obvious which one prefers to choose as a style of management. None the less, it is important to recognize that behind the deal, behind the politics, there is the free market mythology that somehow there is possible, somewhere, some time, a natural economy that will run by itself. As the original Manchester school and French physiocratic proponents put it: "Laissez aller, laissez faire, car le monde va par lui-même. Let it alone, let it go, because the world marches by itself."

We are not in this country schooled to that proposition. Out of our history has emerged not only the private-public major co-operative ventures that I have referred to but also the social support programs, the cultural initiatives that have grown out of our particular experience on the northern half of the American continent. It had something to do with the different isolation of the western frontier as compared with the American, that it was in Canada that one had proposals of government health insurance, hospitalization and medicare arise, for example.

It is out of the vicissitudes of Canadian workers in a much more perilous economy and businesses in a much more perilous state that arose in Canada the concept of unemployment insurance. It has been out of the fact that we had a later stage of immigration as well from Great Britain and elsewhere that we picked up new

social ideas from the labour movement and social welfare theorists on the continent who brought them into Canada and which added on to all that. But in any case, it built a distinctive society and a distinctive culture.

When we ask ourselves about the cultural question, we are not just talking about a few cultural industries that happen to produce magazines, records, books and what have you, or operas, ballet companies and music classes for our kids and things like that. What we talk about as culture, as Rick Salutin said in a very important article in the *Globe and Mail*, is the very substance of our life that we celebrate when we use those instruments to talk about ourselves and to imagine our lives together through poetry and prose, through our history and what have you.

That culture, in that sense, is the sum total of all of what the cultural anthropologists call the adaptive strategies that we have developed in the northern half of the North American continent to cope with our unique geography, our unique economic problems, unique difficulties that business has in surviving in the northern half of the continent. Out of all that, we have produced our country, which our artists celebrate, reflect about, criticize, etc. So there is no way you can separate, at any point in this debate, the cultural issues from the economic issues, from the political issues, indeed from the moral issues involved.

That brings me, however, to the business issue. Our friends in the Conservative caucus cited in their speeches various studies that have been made of the economics of this deal. The only problem with citing those studies is that none of them is particularly reliable and some of them are in fact downright disreputable as studies.

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No one has undertaken a commodity-by-commodity study of the goods and services in exchange between our two countries and tallied up the cost accounting one way or the other. They have looked at some sectors in a broad sense but nothing definitive has been produced.

The studies they cited in fact predate the deal and therefore assume principally two things: first, that we would have complete, unfettered access to the American market—that was the free trade option that never happened; and second, that we would have access to government procurement in the United States—that did not happen either. When the Economic Council of Canada talks about 350,000 or 380,000 jobs, it is



talking about something that can no longer be talked about in those terms because the assumptions made in the study no longer exist.

If you look at alternative studies that were done, for example, by Professor Whalley at the University of Western Ontario, Harris at Queen's University, Muller at McMaster University and Sonnen at Informetrica, they run through some rather crude measures on economic models of the economy. The very best they come up with, a four per cent possible increase in economic activity, they themselves admit is so insignificant statistically that it really is not worth the effort of the deal, let alone paying the price of the things we gave away in the deal.

Our colleagues in the Conservative caucus pointed to the great gains that were going to be made for consumers. Let us be quite clear that the Consumers' Association of Canada is not all that entranced by the great gains and issued a number of warnings a few weeks ago about how little could really be expected across the board and over the long haul in this deal. Again, the economists trying to measure that in any sense have said that at the very best, over 10 years there would be about a two per cent improvement in the price levels. You will not even notice it, it is so small, especially spread over that period of time, and any number of other elements can intervene in the trade deal to wipe out those advantages, even if they were real. When one comes down to the numbers that are cited to defend this proposal, they just ain't there.

Those who have criticized the government's own studies on the service trades and the jobs that are at risk in various aspects of the Ontario economy have said, "They did not talk about the job gains." True enough, the government did not and in that sense it was not all that balanced an exercise. At the same time, when the Economic Council of Canada proposed the 350,000 to 380,000 gain in jobs that it thought would come out of the proposal, I think it was the next day that Benoît Bouchard, the government's own Minister of Employment and Immigration, happened to drop the word that the government's own sense was that there were 500,000 jobs at risk out there.

The striking fact about this whole exercise surely has to be that the major study of the economy in recent years, the economic prospects of Canada, could not draw a definitive conclusion about the business advantages of going for free trade and said it had to be a leap of faith. The second hard-headed observation one surely has to make is that the federal government itself has not tabled any studies to show where the job

gains are going to lie or to what extent they will be. There just are no studies.

In the light of that, surely it is proper for this Legislature and, I think, even for the Conservative caucus to ask for some more fundamental answers. If we did not get unlimited access, what one might call magnificent access or even good access to the American market through this deal and if we did not get a binding dispute settlement mechanism, surely this Legislature should be asking why on earth we ever thought it was incumbent upon us or useful for us to proceed to make the whole range of concessions we did, with respect to investment, with respect to national treatment for American companies and with respect to a major energy concession, giving what the Americans have so long wanted, a continental energy pact which wipes out any use to which we could ever in the future put our own energy resources in order to stimulate and develop Canadian business and to compensate for the problems our businesses have in the northern half of the North American continent, with this geography and this climate and this space and this sparsity of population.

Without special instruments like that, available energy at the lowest possible cost, lower if possible than the Americans can buy it from us, how do we do those things? How do we maintain our own industries? How do we develop new industries? How do we give them the power to get a leg up in the economic world, to get on with the job of becoming corporations which then can compete in the rest of the North American continent and abroad?

It just does not make sense. The whole deal does not make rational sense for any government determined to hang on to policy determination in its own hands, as a government. Here one has to go back to the point about the mythology about free markets, because the whole mythology of the free market is that you do not need policy for the economy.

When Mr. Mulroney walks away from the levers of power, the levers of the economy, the levers of natural resources and the levers of energy that make it possible for us to fashion something of our own economic destiny, he in effect is implicitly subscribing to that natural economy, free market mythology that you do not have to have policy. Surely we all know as legislators that this world is not just divided up into these separate parcels of morality, economics, politics and what have you, and that when we sit down we have to constantly weigh economic factors against political factors, social issues and



moral considerations, and that we have to take them all together. That is what policy is all about.

You do not just wipe out the whole foundation for policy in one of those areas and wave it goodbye. You cannot do that and be a responsible politician. Yet that is very much at the heart of this particular deal that Mr. Mulroney and his colleagues have found it to their advantage to promote.

It is said that social programs are specifically excluded from the deal. It is said that regional development programs are specifically excluded from the deal. It is said that cultural industries are specifically excluded from the deal. I want to make a very brief comment about those three things. It is very strange, for example, if social programs are excluded from the deal, that if you look at a particular chapter in that deal you will find listed a whole series of what to me seem to be social programs.

For example, American business management will have access on a national treatment basis to the following hospitals: general hospitals, rehabilitation hospitals, extended care hospitals, mental and psychiatric hospitals, addiction hospitals, nursing stations and outpost hospitals, children's paediatric hospitals and other specialty hospitals. They will also have access to these institutional health and social services: homes for personal and nursing care, homes for physically handicapped or disabled, homes for the mentally retarded, homes for mentally handicapped and/or disabled, homes for emotionally disturbed children, homes for alcohol and drug addicts, homes for children in need of protection, homes for single mothers and other institutional health and social services not otherwise stated.

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In noninstitutional health services, they will also have access, as businesses, to ambulance services, drug addiction and alcoholism treatment clinics, health rehabilitation clinics, home care services including home nursing, public health clinics, community health centres and other noninstitutional health services.

Under medical and health laboratories, they will have access to medical laboratories, radiological laboratories, combined medical and radiological laboratories, public health laboratories, blood bank laboratories and other health laboratories.

They will have access as well to the post-secondary nonuniversity education sector, to schools of art and performing arts, vocational schools, trade schools and business colleges, and

post-secondary nonuniversity educational institutions which means the whole college sector.

Other broad service categories as well are listed by number in this part of the trade deal: agricultural and forestry services, mining services, construction services, distributive trade services, insurance and real estate services, commercial services, computer services, telecommunications services and tourist services.

Nowhere in the whole section is there what we have been told specifically was excluded; namely, child care. We were told by the Minister of Community and Social Services (Mr. Sweeney) that he had been assured, and his ministry was assuming, that the federal government had achieved exclusion of child care services from the deal. It ain't excluded and it is there implicitly in the list I just read.

If you ask yourself about regional development programs, the negotiators could not agree about the whole subsidy issue which underlies the regional development issue. Since they could not agree, therefore the regional development programs remain as vulnerable today as they were yesterday and as they were before this whole deal ever got under way in terms of American protests that certain things governments in Canada do must be considered subsidies and therefore unfair trade. So we have not protected ourselves on the regional development front.

When you come to the cultural issues, it is true that there is a specific exclusion of some cultural industries, though one would have to note in passing that a very thriving record industry—thriving because we had finally set up some tariff protection for it and got it under way—now in fact has had the rug pulled out from under it by this deal with the elimination of the tariffs in question.

If you look at the relevant section concerning cultural industries, you see a very interesting "notwithstanding" clause. What the "notwithstanding" article 2005 says is that under the terms of this agreement, the American government may take any punitive commercial action corresponding to any initiative on the part of the Canadian government to protect Canadian culture and programs that might have some impact either on existing American industries in Canada, such as book publishing or film distribution, or any impact upon a business in the United States that aspired to exploit Canadian cultural enterprises commercially for its own profit. What has happened in that article is that the whole cultural issue and debate has been



transformed into what the Americans insisted culture was all about in the first place, and that is simply another commercial activity.

Members will remember when American representatives came up here. I think it was Clayton Yeutter who said: "Oh, well, that is fine. You can have access to our cultural industries and we will have access to yours and everybody will be happy." Of course, Mr. Yeutter did not stop to think that the cultural question or the commercial question of the viability of a cultural enterprise in Canada and the impact it could have in the United States was totally different from the impact that large publishing houses or record industries or film distribution networks would have and do have in a small country like Canada, and that you could not just put it in terms of that kind of neat commercial tradeoff. If one looks at the scale of the question, one really has to realize that in some respects there is a lot to protect and there is much that has been sold out already.

To refer again to Rick Salutin's article in the *Globe and Mail*, November 5, 1987, he says:

"Only three to five per cent of all theatrical screen time in Canada goes to Canadian films; two to four per cent of videocassette sales are Canadian titles; 97 per cent of profits from films shown in Canada go out of the country, 95 per cent to the United States; total prime-time broadcasting in drama and sitcoms is only two to three per cent Canadian; 95 per cent of English-language TV drama is non-Canadian; Canadian-owned publishers have only 20 per cent of the book market; 77 per cent of magazines sold here are foreign; 85 per cent of record and tape sales are non-Canadian; in theatre, Canadian plays are the alternative theatre—they are equivalent of off-Broadway, or off-off-Broadway. Keep Canadian culture off the table—who's kidding whom? An end table, maybe."

Obviously, there is a lot of ground to be made up, and where there is a lot of ground to be made up, it is obvious our governments are going to have to undertake ways and means of doing that. What do they do the moment they confront this trade treaty? They confront article 2005, which tells them that every time they do that, they are going to be faced with a charge from an American industry, either present in Canada or aspiring to be here, saying that it is unfair trade and that they are therefore clamping sanctions on us for doing so and attacking our fish industry, our lumber industry or whatever. They cannot go back on our cultural industry but they can go back on anything else as a reprisal.

You have got to conclude that even though we were given assurance after assurance that culture would not be on the table, that cultural industries would not be on the table, of course they were. If they were not, they were immediately under it and they were dragged out at an appropriate time for the appropriate tradeoffs in an innocent sounding but very suspicious looking and indeed rather insidious clause, "notwithstanding" clause 2005 in the agreement.

Saying that makes me wonder a little bit about the comments the Premier (Mr. Peterson) made the other day when he was asked by one of the Conservative questioners whether he agreed with the Minister of Culture and Communications (Ms. Munro) with respect to her claim that cultural industries had been protected. That was an astonishing statement on the part of the minister. It certainly does not ring true in terms of what I have just said, in terms of any sensible analysis of what the deal actually says. But the Premier was not only willing to echo that, in a sense, but to go on and say he did not really think large cultural sovereignty questions are really much at issue, that what was really at issue was economic sovereignty or political sovereignty, some other things, but not really cultural sovereignty. He did really think it was an exaggeration to argue that was at risk.

I hope my friend the member for Ottawa South (Mr. McGuinty) will persuade him otherwise and will direct some of his eloquence directly at the Premier, just as he directed it to us this afternoon, because I think that if one follows the logic of the member's remarks, one would have to argue that the Premier should at the very least accept, with respect to the resolution that is before us, the proposition that six words ought to be reduced to three at the end of that resolution; namely, that "will not be bound to implement" should simply be "will not implement."

**1630**

What puzzles us in this party is the reluctance of the Premier to take that final step. Everything that can be adduced about this treaty appears to persuade him much of the time that he ought to oppose it, and yet every time he stands up to say how he is going to oppose it, he pulls in his horns, he draws himself back.

Last week, the member for Algoma (Mr. Wildman) went through, step by step by step, each point of the way at which the Premier confronted the trade treaty. At every point there was a pulling in of horns, a drawing back, a reluctance to take the final step.



Even yet, when he talked about the cultural implications of the treaty the other day, he wanted to modify it, much the way in which the member for Wellington (Mr. J. M. Johnson), when he made his comments on this arrangement last week, was obviously significantly ambivalent. He said he hoped that Mr. Mulroney was right. There were in the remarks of the member for Guelph (Mr. Ferraro) a sort of lingering free tradism that, of course, is part of the Liberal tradition and which constantly makes them get a little nervous about total opposition to something like this, even though political instinct really tells them they ought to.

Why cannot they take the final step? That is what puzzles us over here.

We hope, of course, at the end of the day in this debate that the members opposite will come to that conclusion, that they will realize the logic of things they seem to be saying is that they should compress those six words to three. Whether we can persuade our friends to the left in the Conservative caucus to modify anything of their position also remains to be seen.

I see there is an enlightened member, from a constituency not too far from here, about to stand up. We wait for his remarks in the hope that perhaps, after several days of debate, there will begin to be some sense of the reasoning why we think this is a very seriously mistaken deal for Canada, and that they will revert to their true colours.

I have to remind members that we are in a very odd situation in which Liberals, who are historic free traders, are opposing what appears to be some extension of trade arrangements with the United States, in which we are the recipients of the bad part of the deal, and that the Conservative members of this House were long-time protectionists and proponents of the national policy of John A. Macdonald, as was alluded to by the previous speaker.

But I have to say, in conclusion, that if one goes back to the 1870s when this whole issue really got focused in the debate over the national policy and when John A. Macdonald was wondering whether the Liberals were going to come out for free trade or whether they were going for protection and what he would do, he made a very interesting comment to someone at the time. That was that if the Liberals had come out for protection, he would have come out for free trade the day after; which I guess tell us there is a certain degree of political expediency behind some of the positioning going on.

None the less, with that comment—

Interjection.

**Mr. Allen:** Of course, there is always political expediency in the sense that one hopes to achieve the objective one has in view.

**Mr. Villeneuve:** What is that?

**Mr. Allen:** Defeat of this trade deal. Our objective has been clear and therefore the position we have argued has been very consistent throughout; in fact, the only consistent position that seems to have been taken across the country.

I simply want to say that I hope we will have an opportunity to come back to this debate again after we have had our committee hearings. This debate in this Legislature, while useful in a certain sense, is premature without the committee's report at hand. It is unfortunate that the House leader of the government party messed this thing up by proposing a resolution he must have known could not have been accepted, particularly by the Progressive Conservative Party in this House, but probably also by this party in terms of the way it was phrased, and that it therefore would precipitate a debate that no one, in all conscience, could confine to the last two days of the session before our normal adjournment prior to the Christmas season.

My hope is that having made our points in the last couple of weeks and in making them again this week, we will be able to conclude this debate reasonably expeditiously and get on with the committee work and the committee hearings that need to be done, and then come back again and say our final thoughts in this Legislature and pass our judgement upon the Mulroney-Reagan trade deal.

For me, it is possible to say that it may not devastate the nation tomorrow or the next day, but there is no question that the restructuring of the whole national proportion of our economy will distort the whole historic thrust of this nation, undermine the social programs we have developed so carefully and lay us open to massive economic restructuring the like of which I think nobody really envisages and can imagine, and for which there are no programs proposed that could nearly cope with the crisis. In short, when we come back to this debate, we will all see that this deal is something this House will have to oppose unanimously and as vigorously as possible.

**Mr. McLean:** I deem it a pleasure to have the opportunity to get up and speak today on this resolution.

**Mr. Wildman:** I thought you already spoke.



**Mr. McLean:** The member says he thought I had already spoken. I want to speak today and I want to wake up some of those 15 Liberals who are here in the Legislature to a great oration of what I believe should be some of the positions and on how I have felt with regard to free trade over the years.

It is interesting when we talk about free trade and about the number of people: some 260 million in the United States, some 28 million here in Canada and a little over nine million in Ontario. When you stop and analyse the situation and say, "Well, 260 million people; we have an access to their market," I think you have to realize how important it is for us to be able to sit down and talk in a friendly way to our neighbours. I know it is important because when you look at the amount of exporting we do to the United States, it is important that we keep that market.

I believe that what is happening here in this House shows at least two things about the leadership of our province. I think it points up a major flaw in the strategy of the Premier. The Premier has chosen to ram this resolution through the Legislature rather than work out a compromise. There are ways in which this resolution could have been directed to the standing committee on finance and economic affairs, but instead the Premier has decided this House is going to resolve this resolution and will do it during last week, during Christmas and during the first week of the new year, or any other way he deems it necessary to have it done.

It could have been studied in committee, which it will finally end up going to, and this committee could then have done the rewording or changed it in whatever fashion was necessary, but the choice of the Premier was to make sure that this Legislature dealt with this resolution. He has already sent letters to the United States and to the Prime Minister, so this is really a true example of leadership that is lacking—

**Mr. Villeneuve:** In reverse.

**Mr. McLean:** —and that is in reverse.

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First of all, I want to speak with regard to how I believe tourism becomes part of a free trade agreement. What it does is a ground-breaking part of a free trade agreement which deals with trade in services as opposed to trade in goods. Specific components of trade in services as they will apply to tourism have not yet been completed, to my knowledge, and some will be defined in the legal text. There are a couple of points that I would like to make. The overall impact of the

free trade agreement will be to increase employment and to improve the quality, and thus our salary levels, especially in southwestern and eastern Ontario manufacturing industries, the Toronto financial and service industries and the northern resource industries.

Canadians with a high level of disposable income will choose to spend a large portion of that income on leisure activities. There will be travel, accommodation, restaurant meals and entertainment. It is likely to assume that many of these Ontarians will choose to visit the county of Simcoe and the Muskoka region as a distinction for their leisure time. It is also likely to assume that open borders will increase the flow of American tourists in general. Our low dollar combined with the new flexibility in taking purchases across the border is likely to encourage Americans to visit Canada and to purchase more while they are here.

Tourism does play a part in this free trade agreement. I think it is important to note that the people in the tourist industry agree that it is important. From Bayview Wildwood Resorts: "Being in the tourist business and, in particular, the resort business in the Muskoka area, I am looking forward to the free trade arrangement to significantly increase the number of American tourists coming to Ontario and to our region." There are other groups that are saying the same things: how important it is.

I would like to speak briefly with regard to agriculture. As you are well aware, Madam Speaker, I have been in the agriculture field for a large portion of my life. I know a fair bit about it and watched it very closely in following the comments that have been made with regard to freer trade. The Minister of Agriculture and Food (Mr. Riddell) has said that if everything will be on the table we will be sold out. That is not the way I see it. The way I see it is that, from the beginning of the free trade negotiations, the government vowed there would be no deal if a good deal for Canada could not be negotiated.

Our federal Minister of Agriculture said that unless there was a good deal for Canadian agriculture there would be no deal. We have a very good deal for Canadian agriculture, giving Canada improved secure access to our largest trading partner. The agreement provides economic benefits for Canadian agriculture and provides the advantages of a binding dispute settlement mechanism. The commitment is to fulfil what has been initiated by the federal minister. The members are well aware that Mr. Wise stated in the House of Commons and



outside the House that he will retain the right to decide in Canada what kinds of marketing systems we should have for our farm products.

The future of supply management in Canada is secure. Producer groups can follow current procedures to develop new agricultural marketing systems, complete with supply management powers. The agreement respects the General Agreement on Tariffs and Trade rights. That is what we need. Again, supply management is maintained. The commitment by the government for a long-term dairy policy is kept under the agreement. As well, the government's promise that the necessary underpinnings remain secure is fulfilled. We are committed to transferring products such as yoghurt and ice cream from the tariff list to the import-export list.

Madam Speaker, on livestock, you are well aware that the flow of live cattle between Canada and the US is currently unrestricted. However, there were import restrictions placed on beef. Canadian beef producers will benefit from the agreement because both countries have agreed to exempt each other from these restrictions imposed under their respective meat import laws. The exemptions free up the flow of beef; thus, under the agreement, the North American marketplace is preserved.

The members know what the Canadian Cattle-men's Association said. I am sure the members are aware of it. It said: "We have nothing but praise for the new trade agreement. These are things we have been working towards for a long time."

The wine industry says: "Provincial product pricing and listing practices brought this issue to the attention of the US negotiators. The agreement does not prohibit Canadian and/or provincial governments from participating in the adjustment programs if necessary."

Grain and oil seeds: "The elimination of import licences of wheat, oats and barley: permits for importing wheat, oats and barley will not be required when the support level for the same crop in each country is equal." How important these measures are. Truly, free trade is a tremendous deal for Canadian agriculture.

We kept the commitments we made about maintaining the marketing boards, marketing boards that can be maintained and can be added to. I think that is so important. The horticultural industry has received special attention by being exempted from a general rule of completely phasing out all tariffs over 10 years and has been given an additional 10-year grace period to

reimplement seasonal tariffs if market conditions warrant it.

The free trade deal was negotiated in the best interests of our agriculture. Now we have better access than ever to the United States, our largest trading partner, which initially I said was a market of 260 million people, and how we need that badly and we want to keep on top of it.

I want to talk briefly about manufacturing.

**Mr. Pelissero:** Why haven't you talked about poultry?

**Mr. McLean:** The honourable member asked why I had not talked about poultry. I can talk about poultry in the same way that I talk about the pork industry or any other industry with regards to agriculture. The marketing board that oversees the egg production and that of all feather products is being maintained in place, as has been indicated in what I previously said.

I want to speak about the Canadian Steel Producers Association, which is concerned in the Hamilton area. It says, "The trade deal will allow the industry to make nominal gains in its current 4.1 per cent share of the US steel market. I think we have a better chance with something in writing than we do with the way it is operating now. It is now in congressional hands to push the federal government as far as it wants. There are no guarantees that they still will not be able to retaliate but, at least, we will have a better set of negotiating ploys to slow them down. We have kept up in terms of technology here and we feel our plants are quite capable of meeting any type of competition." That is what the manufacturing industry is saying about the free trade agreement.

We talk about technology. "The free trade agreement is practically important to our industry which relies on open trading around the world. Eighty-seven per cent of computer equipment made in Canada is exported, mostly to the United States." It is very important that we maintain and keep that market open. The only way we do it is by talking to them, negotiating with them and making sure that we do keep that market open.

Small business is another concern. The Canadian Organization of Small Business agrees with the free trade agreement. I am sure it will have the opportunity to make its presentations well known when it is before the committee dealing with it. It says:

"On balance, the Canadian Organization of Small Business believes that a trade agreement should be good for Canada and good for most elements of a small business community. The agreement skirts many of the most difficult problems of harmonizing the socioeconomic



systems of the two countries. This, in itself, undermines most of the nationalist argument that the trade agreement is a betrayal of Canadian sovereignty.

"The sovereignty issue, in our view, is a red herring introduced by political opponents of the trade agreement who, deprived of most of their substantive or nonideological objections to it, are wrapping themselves in the Canadian flag to pursue their partisan political ambitions in a centralist approach to the governing of Canada, which was overwhelmingly rejected by Canadians in the last election, not least of all by the current Leader of the Opposition."

## 1650

We are getting into what this is all about. It was interesting to listen to my colleague the member for Hamilton West (Mr. Allen) when he talked about the 350,000 jobs. There was nowhere that he said that would happen. There was discussion about the loss of jobs, which I do not believe will happen. What I want to talk about is what impact the Canada-US free trade agreement is going to have to help create jobs. I think it will do it in a positive outlook. There are too many negatives. One has to think positively.

The Economic Council of Canada's research focused on two scenarios to illustrate the effects of free trade between the two countries on the Canadian economy. First, all tariff and nontariff barriers on goods traded between the two countries are removed, excluding agriculture and other subsidies, trade and services. Second, free trade is supplemented by industry-specific productivity improvements in Canadian manufacturing industries. The simulation results show that free trade could create up to 350,000 jobs in Canada by 1995. Employment and output gains would be distributed fairly evenly among all regions.

In both scenarios, bilateral trade would improve real wages, increase output and employment, stimulate business investment and productivity, lower prices, reduce government budget deficits and strengthen the Canadian dollar in relation to the US dollar. Free trade would also help facilitate the necessary structural adjustments, a shift away from labour-intensive industries to high-technology ones in order for Canada to compete much more vigorously on world markets in the 1990s and beyond.

While the direct effects of trade liberalization would diversify and affect Canadian industries that are highly protected, chiefly in the manufacturing sector, all industries would benefit indi-

rectly from the overall increase in consumer expenditures and investments.

The Ontario Chamber of Commerce also supports the free trade agreement. The Ontario Chamber of Commerce, today and previously, has urged the Ontario government to show its confidence in Ontario by endorsing and promoting the positive aspects of a free trade agreement.

"'You are already working with the citizens of our province to seize opportunities and manage change,' chamber president John Sanderson said in a brief to the Ontario cabinet subcommittee studying the issue. 'Free trade is another aspect of this strategy.'"

"The Ontario chamber, which represents 60,000 businesses through community chambers of commerce and boards of trade, said:

"'The impact of increased US protectionism on the Canadian economy would be disastrous. If some of the US protectionist bills now on the books were implemented, there would be more retaliation on both sides of the border, leading to double-digit inflation, a reintroduction of FIRA, a dramatic increase in the unemployment rate and a substantial cut in consumer spending; in short, a return to the economy of the early 1980s, if not worse.'

"The brief cited widespread support for an agreement among a membership more diverse than any other provincial association. Chamber of commerce members reflect the full spectrum of the business community, cutting across all industry sectors and ranging from owner operations to multinational corporations.

"Chamber members want free trade in the belief they can capitalize on opportunities for expansion, stabilization and new markets. They believe that we have an opportunity which should not be allowed to slip away from us, and the brief to the subcommittee of the cabinet noted that 70 per cent of the membership supported free trade in a Gallup poll commissioned by the chamber last year.

"We still have a strong labour force, an attractive working environment and a well-developed transportation and communications network. Free trade is the next step in our growth."

It is interesting that in the Legislature not too long ago, the Minister of Culture and Communications (Ms. Munro) indicated that she thought everything was covered; it sounded good. She was very happy with it; did not seem to have many objections. Maybe she has changed her mind, I do not know, but that seemed to be what I got.



The member for Guelph (Mr. Ferraro) had indicated for some time the objections with regard to the free trade agreement. He said we were in favour of it right from the beginning and indicated that our position had never changed from the time it was initiated until it was approved.

I observed during 1987 that the now Premier of the province was indicating: "This is my bottom line. These are the six things that I want. I won't accept anything less. We will veto the deal. You elect us and we will make sure that everything is right, and if it is not right, we will make sure that it doesn't happen."

I have talked to some of the people since who voted that way because they did not agree with the free trade deal. However, it is important to note that those people have spoken to me since and have said that they were led down the garden path and were not very happy.

The concerns from the area I represent, and the meetings that people have had with the federal member have dealt with the trading rules that are being initiated here, are important and will have a very open and full hearing in committee. I am sure every member here would want to take part in that process. We are taking part in it now on a resolution that is not going to mean a thing, a resolution that is before us that has kept many members here and the public service here over the Christmas holiday. It did not bother me a bit, but I know it did bother a lot of people.

The main part I want to complete my remarks with is that I feel there is a concern that I have relayed with regard to agriculture, with regard to tourism, with regard to manufacturing and with regard to small business. Not only that, it is the jobs that are going to be created that we are all looking forward to.

If the Premier wants to take a positive attitude instead of a negative attitude, I think we can all work together and make sure that it is the best deal that Canada could ever get.

1700

**Mr. Pollock:** I am pleased to be able to take part in this debate. There are a few things that I want to put on the record.

Ever since people started to talk about free trade, I have been quite concerned about it. I wanted to know how it would affect my riding, how it would affect Ontario and how it would affect the Dominion of Canada. One of the largest industries in my riding is the dairy industry, and I was very concerned about supply management and how it would affect the dairy industry.

During the recent election campaign, there is no question about it that the Premier called that election just before the free trade decision was to come down so that his people could go around and talk and scare people in regard to free trade. In fact, one person told a campaign worker of mine that if free trade came in, this country would turn into another Siberia.

At that particular time members know that in small-town Ontario the prices of houses were jumping over a period of time at about \$10,000 to \$20,000 more than what they were before. Another person said to me: "You know, the Americans are going to get our energy; they are going to get our water. In fact, they will drain Lake Michigan." Let's face it, if they decided to drain Lake Michigan, there would be very little we could do to stop them because it lies within the boundaries of the United States, but on the other hand, there are more people living around Lake Michigan than there are in Ontario. So why would the Americans ever want to drain Lake Michigan?

I am really surprised. They should have never called this a "free trade" deal, because really it is not a free trade deal, it is a trade deal, and there is no question that a lot of things in the deal have been protected. In fact, I have quite a bit of sympathy with trading with the United States.

I might mention that during the late 1930s, the 1940s and the early part of the 1950s, my dad, who was a dairy farmer, sold a lot of cattle to the United States. In fact, he sold those cattle to the state of Pennsylvania, and at that particular point in time, Pennsylvania had fairly strict health regulations. The only way you could sell to Pennsylvania was if you had an accredited or free-listed herd. For the benefit of those people who do not know what a free-listed or accredited herd is, your dairy herd had to stand an annual blood test to see whether it had brucellosis, and it also had to stand a test to see whether it had tuberculosis. The cattle also had to be tested before they actually went into the state. Any farmer who wanted to meet those regulations could ship to Pennsylvania too. Of course there was one great advantage to selling to Pennsylvania: the price was far better. There is no question in my mind that at some point in time, that money was very much needed in the running of our dairy operation.

As I mentioned, I was concerned enough about the free trade decision. I knew what the politicians were saying here in Toronto, what was in the press and what they were saying down in Ottawa. I also wanted to know just what the



American politicians were saying. I made a contact down in Washington, and this person told me that if I wanted to talk to some of the American politicians, I should get in touch with a congressman from west Texas by the name of Charlie Stenholm, who was chairman of the agriculture committee, and other contacts were James Jeffords from Vermont and Congressman Gunderson from Wisconsin.

I set up appointments with those people, paid my own way down to Washington and talked to those congressmen. In talking to Charlie Stenholm, he said they had a supply management program in west Texas for the peanut growers as far back as 1937. He also mentioned that they had a co-operative in California which was basically along the same lines as our supply management program right here in Ontario for milk, and he also mentioned that he had been in Ontario and studied our milk marketing board policies here in Ontario.

In talking to James Jeffords from Vermont, he said he did not want to interfere with the policies in another country, and he hoped that country would not interfere with the policies in his country. We both agreed that the present policy we have under the General Agreement on Tariffs and Trade, where we keep our dairy products on our side of the border and they keep their dairy products on their side of the border, had worked extremely well, and we also agreed on the fact that we had all kinds of land here in Ontario and in Canada to produce dairy products, and of course the United States has all kinds of land in which they can produce dairy products.

I might say, after I came back I put out a newsletter stating that I had been down to the United States, had paid my own way down there, and about three weeks later the Minister of Agriculture and Food got up and made a statement of how he was down to the United States and had talked to Charlie Stenholm, the chairman of the agriculture committee, only I think the taxpayers of Ontario paid for his trip down there.

The minister also, in a statement he made a few days ago, mentioned that the marketing boards were opposed to the free trade deal. I have talked to my own board member, Leland Wannamaker, and he said he is fairly well pleased with the free trade deal. He mentioned basically that he hoped they would put yoghurt and ice cream on the import control list.

I also talked to Grant Smith, who is chairman of the Ontario Milk Marketing Board, and this is

his statement: He said he was cautiously optimistic about the free trade deal.

**Mr. McLean:** And Grant Smith is a Liberal.

**Mr. Pollock:** I want to inform this House that Grant Smith—

**Mr. McLean:** Is a Liberal.

**Mr. Pollock:** —is not a Conservative, he is not an NDP, he is not a Libertarian or a member of the Family Coalition Party. They say that Grant Smith is a dyed-in-the-wool Liberal. He also had all kinds of praise for John Wise on the efforts that John Wise has made for the farmers of Ontario.

I do not question anybody's concern about trade. Let's face it, throughout the history of the world, there have been wars fought over trade. That was one of Napoleon's policies, for instance. His main enemy was actually England, but he knew he did not have the ships to transport his men across the Channel, so he decided to overrun the rest of the continent of Europe in order to prevent those nations from trading with England in the hope that eventually it would bankrupt England and then it would be easy prey for his army.

It has been stated in this House that the churches and the Ontario Federation of Agriculture are opposed to free trade. I was in church one Sunday morning and the minister mentioned the fact that he had listened to a CBC commentary. This commentary was half an hour long; it gave one person who is for free trade 15 minutes, and it gave a person who was opposed to free trade 15 minutes. He said when it was all done he did not know whether free trade was a good deal or not.

As far as the federation of agriculture is concerned, I know that all its members are not totally opposed to the free trade deal.

**Mr. McLean:** Not even their executive. Their executive agrees with it.

**Mr. Pollock:** That could well be.

**Mr. McLean:** Sure. They know it's a good deal.

**Mr. Pollock:** I know that there is no question about the fact that the lumber industry is also in favour of free trade. They stated at a forestry industry breakfast here about a month and a half ago their concerns about free trade, and basically they were in favour of free trade.

Those are a few of the things that I wanted to put on the record, and as I say, I am also cautiously optimistic about this free trade deal. I feel that we have to trade with our neighbours. We have always got along and traded with the United States for well over 100 years.



I do not totally disagree with John Turner's statement. John Turner said that if he is elected federally, he will tear up the free trade deal. Basically, that might well be another one of these deals where he tears up the deal and then brings in another deal with a few more i's dotted and a few more t's crossed but it would be basically the same kind of a deal. That is basically what they did when Joe Clark brought in an 18-cent tax on a gallon of gas. Trudeau said no way was he going to put an 18-cent tax on gas, but it was not very long until he had a 37-cent tax on gas.

Those are just a few things I wanted to put on the record.

1710

**Mr. Villeneuve:** It is a pleasure on the first day of sitting in 1988 to participate in this debate. The sad thing about the debate is that the cart is at the wrong end of the horse. The standing committee on finance and economic affairs is supposed to be debating this very motion. It is supposed to look at the particular motion in a way that is unbiased and unfettered.

This government brings in a motion, hopefully for it to have it passed prior to the signing of the agreement, which occurred last Saturday. Whatever their intentions were, I believe it probably has to do with some of their so-called promises prior to September 10. They feel that the motion called resolution 8 which we are debating, and also debating the amendments thereto, would have satisfied the people of Ontario. I cannot believe this. They seem to think that a motion worded in the way it is effectively says what the Premier was saying throughout the campaign: "No deal, no deal, no deal." That simply does not wash.

I know a lot of back-bench Liberal members have to be fairly good business people and have to understand and have to be listening to some of their constituents. However, the way they act in this Legislature makes me wonder. I have a great deal of reservation about some of the statements I hear being made by some of the back-benchers—

**Mr. Callahan:** It's like the rest of the country. It's like the guy who negotiated the deal.

**Mr. Villeneuve:** —the member for Brampton South (Mr. Callahan) in particular, toeing the party line on the Premier's requirements to oppose this free trade.

I firmly believe that some people have a brass ring in mind in opposing this free trade deal. The brass ring is at the beck and call of the Premier. I have noticed the member for Brampton South reaching for that brass ring in almost every daily question period. He reaches for that brass ring.

By toeing the Premier's line and opposing free trade the way he has, he may have a crack at this brass ring.

On this brass ring are several sets of keys. One of them is to the golden door of the cabinet chamber. That is worth quite a bit because with that goes a pot of gold, a chauffeur and a limousine. On these cold winter days, the member for Brampton South would dearly love to walk out with his briefcase and have his limousine and chauffeur idling there.

**Mr. Callahan:** I would like to have the country I chose remain the country I chose, not be sold to the Americans. That is absolutely incredible.

**The Acting Speaker (Miss Roberts):** Order.

**Mr. Villeneuve:** The member for Brampton South is very much aiming for that brass ring and is using a whole number of ways and means to try to reach it. In spite of what he really knows better about free trade, he is ready to blindly follow his leader.

I am the critic in this party for the Ministry of Agriculture and Food among other things and I want to comment at some length on the implications of the freer trade deal signed last Saturday by Canada and the US.

I respect the member for Hamilton West who mentioned in his presentation a few minutes ago in this chamber that a lot of the statements being made by members in this Legislature were based on studies and knowledge that had been obtained prior to the agreement being made public. I will tell my friend and colleague from Hamilton West that this is a Broadwater newsletter dated December 18, 1987. I will just quote a few short paragraphs from it.

"The final text of the free trade agreement contained several additions aimed at overcoming the opposition of farm groups. Otherwise, the agreement's provisions seemed to be what the government had been saying was there. The new provisions include a statement that article 11 of the General Agreement on Tariffs and Trade will cover marketing boards, the GATT rules will cover any dispute over export subsidies, and that grape growers switching to other commodities won't interfere with seasonal duties on American produce.

"Once the seasonal horticultural tariffs are phased out after 10 years, Canada can still reimpose the tariffs during the next 10 years in the face of depressed US produce prices, as long as Canadian acreage has not increased. Any increase due to switching from grapes will not be counted. The agreement also allows Canada to



go ahead with plans to reintroduce its own grades, bulk containers and anticonsignment selling rules. They were suspended earlier this year because they had not been properly passed by Parliament.

"The agreement sets out a 27-page formula to determine government support for wheat, oats and barley growers. Canada has agreed to eliminate import permit requirements for those crops once the government support levels are equal. However, Canada can require end-use certificates to ensure that American grain is used for processing and does not enter Canada's grain export system. The agreement will permit either country to impose import restrictions on grain shipments from the other, if such imports increase significantly as a result of substantial change in either party's support program for that grain."

Instead of standing in this Legislature and bringing in the likes of resolution 8, this government and, in particular, this Premier and the Minister of Agriculture and Food should be negotiating in a positive fashion to improve those areas which may not quite meet what they feel should be the requirements. But no, we have resolution 8, which is at the wrong time, in the wrong room of this Legislature: it should be in committee or whatever. This government tries to tell us it is going to approach the hearings of the standing committee on finance and economic affairs with an open mind. Following a motion such as we are debating here today, that is sheer nonsense, absolute and total nonsense.

What are the facts, what are the dangers and where are the opportunities in the deal that was signed last Saturday? I would like to outline a few in my presentation so people will be aware that, in spite of what this government, this Premier and his cabinet ministers are saying, we have untold opportunities. We have not become the nation we are by running away and hiding or saying "fortress Ontario." We are not a fortress: We are a trading province. We have to trade and we have to trade with the Americans.

Let me start by listing 10 reasons why this agreement makes sense for Canada, particularly for Ontario. We are the third-largest entity to deal with the United States of America: we, the province of Ontario.

First, our system of social programs and institutions is costly. I do not think anyone can argue with that. It requires a prosperous and strong economy. How do we have a prosperous and strong economy? By trading. In order to maintain that prosperity, we must trade primarily

with our largest trading partner. In Ontario, we know there are rising trade barriers threatening that prosperity, particularly in the United States of America. This agreement turns the tide of protectionism.

Second, whether we like it or not we now live in a world with an interdependent, global economy, and for those Liberals who still listen a little, the status quo is no longer. We must live in 1988, not in 1985 or 1982 or 1975. No two economies are now more interdependent than those of Canada and the US. This agreement does not create that reality; it recognizes that interdependence requires co-operation and not confrontation if we are to avoid some self-inflicted wounds. The Broadwater comments that I read here a few moments ago say exactly that. We still have lots of room to negotiate the deal that was signed last Saturday. Let us be positive. Let us look at it in the way it should be looked at and make it better for Ontario instead of being drug in by the hair, kicking and screaming.

1720

Third, as the smaller partner in the Canada-US relationship, we know we will usually lose in a dispute based on power politics. It is therefore in our interest to ensure that disputes are resolved on the basis of fact and the rule of law. This agreement not only restores the rule of law but will be devising better rules of law to govern cross-border commerce between Ontario and the United States in the future.

Canadians have worried about being drawers of water and hewers of wood. We have heard that many times. Quite obviously my friends in the socialist party believe we should continue to do that; quite obviously our socialist Liberal friends think the same.

One of the major reasons we have exposed our natural resources, not processed goods, is that foreign tariffs are higher on value-added products. By eliminating these tariffs, this agreement is removing the major barrier to manufacturing and processing right here in Ontario.

Free trade will encourage job-creating investments in energy projects across the country and particularly in Ontario, where we do need more energy creation through hydraulics and fuels of all kinds. Greater supply means greater energy security for Ontario in the future.

More secure access to the US market means more job-creating investment in Canada. It will stop the exodus of Canadian firms setting up shop behind US trade barriers. It will allow us to invest in modern, world-scale plants, and this government has been heavy on world-scale this, that and



the other thing, particularly in the first speech from the throne. This is the opportunity we have been waiting for and here is the government backing away from it, painting itself into a corner that will be most difficult for it to get out of.

It will make Canada, and Ontario in particular, a more attractive location for foreign firms serving the North American continent. They all mean more and better jobs, higher wages and lower costs. Quite obviously, this government is against that.

By agreeing on new rules for services and procurement, standards of agriculture and automotive trade, we can enter these global negotiations from a position of strength. We have to deal in the global economy. The European Community is getting stronger and stronger. I see a number of European countries wishing to join the EC; I have yet to hear of any wanting to withdraw. That strength must be dealt with from a position of strength. With this free trade agreement with the US, we will be able to deal from the North American continent from a position of strength.

The auto pact is not only maintained; it is improved. By becoming part of a broader agreement, its future is now more secure from political attack by disgruntled Americans.

We must always remember that the auto pact could have been dismantled with 12 months' notice from the US. Mr. Peterson did not make that too broadly known during his election campaign, where he had these great red posters all over Ontario. But the truth of the matter is that the auto pact can be discontinued unilaterally by either Canada or the US with 12 months' notice. That is a reality of life.

In fact, if anyone believes this agreement is not good news for Ontario, he should please tell the US auto part producers that we will discontinue the auto pact. These people, some 23 years ago when the auto pact was negotiated, fought tooth and nail against the auto pact. Today, they are the greatest defenders of the auto pact. I suggest to members that five years down the road, when this government is then in opposition, we will be fighting to retain the free trade agreement with the United States.

Consumer prices will fall as the tariffs are reduced. Madam Speaker, you are way too young to remember the Depression and I am a little young to remember the Depression, but that was caused in part by protectionist measures by many countries. We must avoid this at all costs and a deal with the United States is the first step in overcoming and avoiding the protectionism

that caused the Great Depression of the Dirty Thirties.

For example, it is estimated that a young family will save up to \$8,000—

**Mr. Callahan:** Shopping in Buffalo.

**Mr. Villeneuve:** —on the purchase and outfitting of a new home. Quite obviously, \$8,000 does not mean anything to my friends across the way. They are making it a farce. However, to a newly married couple, setting up shop in their first home and buying furniture, \$8,000 is most attractive.

All of these benefits will flow to Ontario without compromising our ability to maintain our agricultural marketing boards, regional development programs, cultural industry assistance or our wide array of social programs. In fact, increased economic growth will help us maintain all of the institutions and programs which create Canada and Ontario as entities unto themselves.

Those are at least 10 reasons why this is not a bad deal. There may be areas that can be improved and that is where this government should be working, to improve the areas that it feels are not good enough to meet its requirement, instead of screaming in this Legislature on some crazy little motion, like motion 8. Why are we not dealing and negotiating in a positive fashion while the deal is still open?

**Mr. Mahoney:** You guys won't stop talking.

**Mr. Adams:** You guys won't stop talking.

**Mr. Villeneuve:** The member does not believe in it. He does not have confidence in our Ontario public. I cannot believe this. The Dairy Farmers of Canada, through Jim Waardenburg, the president, support the proposed free trade deal because it guarantees the Canadian government the right to include dairy products on an import control list. There are still two dairy products that were touched on a while ago by my colleague, and those are yogurt and ice cream. I understand, from speaking to the honourable John Wise's executive assistant, again as late as this morning, that they are working on that to include yoghurt and ice cream as historical imports.

**Mr. Callahan:** Have they got it in the freezer or what? They're whipping it up.

**Mr. Villeneuve:** Again, hooting and hollering, that is all we have, nothing positive from this government. Lots of hoots and lots of hollers, aiming for that brass ring, of course.

**Mr. Callahan:** On a point of order, Madam Speaker: I refer you to standing order 19(8) and standing order 19(9). I let the first one go by, but



I object to the allegations made by the member that my opposition to the way the agreement is set up is for motives of trying to become a cabinet minister.

My reason for opposing it is that this country, Canada, under the terms of that agreement, is being given away to the United States holus-bolus. If the Progressive Conservative Party would understand that instead of just blindly following its leader in Ottawa who negotiated the agreement before the pumpkin turned into the—

**Mr. Brandt:** On the same point of order, Madam Speaker: Referring to the same section that my friend, the member for Brampton South referred to, I distinctly heard my colleague referring to the members opposite as having some, perhaps basic and fundamental, interest in grabbing the brass ring. I did not hear him refer to cabinet and there are a number of different interpretations that one could take.

I know full well, speaking to this same point of order, that the member for Brampton South would obviously look at the worst possible scenario, the worst possible case and put words in the mouth of my honourable colleague that were never intended. So I do not think he is in any way—

1730

**Mr. Wildman:** On the point of order, Madam Speaker: With regard to the leader of the third party's remarks, I distinctly heard the member for Stormont, Dundas and Glengarry (Mr. Villeneuve) refer not just to the brass ring, but to "the golden door to the cabinet room." I think he used those terms, so he did in fact refer to the cabinet.

**Mr. Callahan:** Just further on the point of order, Madam Speaker: I notice that the leader of the third party was not present during the time when the first comment was made. Perhaps that is exactly the problem that the third party has. They are prepared to say anything without reading the agreement or having seen it or heard it.

**The Acting Speaker:** Order. I appreciate the information that was given to me by the member for Brampton South. I am sure the member for Stormont, Dundas and Glengarry is going to continue and will refrain from comments with respect to the members' opposite.

**Mr. Villeneuve:** I am doing my very best to speak through you, Madam Speaker. If the member for Brampton South would listen, maybe I can correct it and tell the Premier that he has no ambitions whatever for cabinet.

**Mr. Callahan:** Tell him that.

**Mr. Brandt:** You will get our support on that one, Bob.

**Mr. Harris:** And you are right on target.

**The Acting Speaker:** Order.

**Mr. Villeneuve:** In conclusion to my very opening statement—

**Mr. Breaugh:** He was just about done until you intervened, Callahan.

**Mr. Villeneuve:** From the interventions from my colleagues and friends across the way, I am quite sure they are expecting me to go until at least six of the clock and well beyond.

The Economic Council of Canada said that of 36 Canadian industrial sectors studied, 28 would benefit clearly under a free trade agreement. Twenty-eight out of 36 would benefit clearly and unequivocally. That marks a large net gain for Canada and, in particular, for this very province, the greatest in this Dominion.

We should also keep the need for change in perspective. With or without this agreement, we know that change is the order of the day. It is unavoidable, but we have demonstrated consistently and confidently that we can make the necessary adjustments. The beginning of that started some 27 months ago when the negotiations with the United States originally began.

We are being accused and the government of Canada is being accused of doing this thing in haste. If 27 months is not long enough, I just wonder what indeed the members opposite had in mind, if they want to take time to ponder, think and reflect. Our choice, therefore, is not of remaining static. As I have told the members before, the status quo is no longer. We must live in 1988 and think the year 2000, the turn of the century. It never has been in Ontario or in Canada a case of living in the past.

I could cite the members some of the towns that I speak for and represent in the riding of Stormont, Dundas and Glengarry and East Grenville. Many of these towns have celebrated their bicentennial. Some are celebrating their 150th anniversary this year, some their centennial. That did not happen by saying "Fortress SD and G" or anything. It happened by negotiating, by dealing and by making things happen as opposed to running away from things.

Let me stress that mere opposition to free trade is not an alternative. It is not enough to be against something. You must bring forth something positive. I have yet to hear anything positive from this government since September 10. By the way, its great list of accomplishments for



New Year's Day included a whole bunch of blank pages. Not one bill passed, not one. This is the government of action, believe it or not.

They should ask the critics what they propose to take account of the great challenges and opportunities facing Ontario in the decades ahead under a free trade agreement. That is why, with or without freer trade, the government and our party have already asked for and provided massive assistance for Ontarians. This government has not provided one bit of leadership as to how it will, for instance, address the elimination of the two-price wheat system.

What is it doing? What is the Minister of Agriculture and Food doing? He is hooting and hollering. That is all I hear. Lots of noise and no action. Right now is when policies are being put into place. Right now, we have to provide some positive input to producing something that will be acceptable to Ontarians and to our agricultural producers, in particular on the two-price wheat system.

Education, retraining and skills training, programs that fight illiteracy will all be allowed to continue. Of course they will be allowed to continue, and without enhanced trade stimulation of our economic engines, we will not be able to carry some of our great social programs which came about with 42 years of very good management in this province until 1985.

Generous social programs and unemployment insurance are not touched either. We believe the additional changes contemplated by this free trade agreement will not require special adjustment programs in most sectors of Ontario. Ontarians have not only adapted in past periods of comparable trade liberalization—I emphasize the word “liberalization”. Is this a Liberal government or is this a socialist government? I ask the question and I think I know the answer.

**An hon. member:** The Red Army Chorus.

**Mr. Villeneuve:** Is that what they are? The Red Army, David Peterson's Red Army? In Russia, the Red Army is not doing very well, and who is defeating them? The Canadians.

Our existing programs, with their emphasis on helping individuals, will therefore remain the core of our adjustment plan. However, the government of Canada will be monitoring exactly how this trade agreement is affecting all sectors of the economy. I say to the Liberal government of this province that it should be listening and monitoring and providing input as well.

In a very few sectors, we have already noticed that the impact of the agreement will be greater.

These are those of the 36 areas studied that will be losers. There are 28 winners but there will be a few losers.

We must be able to differentiate the free trade agreement from General Agreement on Tariffs and Trade decisions. This government has a great deal of difficulty because it is to its political advantage to use GATT decisions in trying to shoot down the free trade agreement. GATT decisions are taken totally and unequivocally separately from the free trade agreement.

Over the past months we have heard some people say that because of long-standing problems, the wine and grape industry is finished, and 1987 will be the last year of a crop grown in the Niagara area. I say to those preachers of doom and gloom, “Get out there, roll up your shirtsleeves and assist the transition time.” This is a GATT decision that occurred.

Reality is that from 15 per cent to 20 per cent of the grapes grown in Ontario wind up as wine, grapes that are primarily grown in the Niagara peninsula. To those growers we must provide some financial assistance to bridge that gap to when they will become competitive. We do have some excellent Ontario wines. I make it a point to always make sure, whether I am in a restaurant, on a train or in a plane, if I am going to order wine, to order Ontario wine and Ontario's best.

**Mr. Harris:** I admit I don't.

**Mr. Villeneuve:** You do it by choice, my friend. If you don't like Ontario wine, then go ahead and drink what you want.

**1740**

**Fact 1:** Canadian wines have made tremendous progress in recent years as the quality of grapes has improved tremendously from the Concord to the vinifera.

**Fact 2:** For years the supply of Concord grapes has exceeded the demand and Canadian taxpayers have subsidized that particular surplus on an annual basis. I think the member for St. Catharines-Brock (Mr. Dietsch) would agree with that.

**Fact 3:** Our wines have been handicapped by many provincial policies. They must buy Canadian grapes at uncompetitive prices. Their production methods are more tightly controlled than European and US wines, and interprovincial barriers have encouraged inefficient production facilities.

This is the area this government should be addressing, correcting the problem as opposed to hooting and hollering and bringing in motions like motion 8, even before the standing commit-



tee on finance and economic affairs has the opportunity of setting up shop.

**Mr. Mahoney:** Who created all these problems?

**Mr. Villeneuve:** I believe the Ontario government is to a great extent responsible for creating them, because it will not face the realities of a GATT decision. They do not want to face the reality of a GATT decision and they are blaming it on free trade. They should face the realities.

It is these provincial policies which have caused the need for discriminatory markups by provincial liquor authorities. The Liquor Control Board of Ontario is in there grabbing every dollar available and charging plenty of tax on it. That is where the problem is, if the member really wants to know where the problem is, and with the GATT decision.

**Mr. Wildman:** It all started with Darcy McKeough.

**Mr. Villeneuve:** I tell my friend the member for Algoma that we must live in 1988.

History will prove that several years down the road this government will be wishing it could forget about some of the statements that are being made right now. This party will stand straight, true and tall. The honourable government House leader has just resumed his seat to listen to this presentation from his colleague from eastern Ontario. He will be sorry he kept us over this great holiday time to debate something that all Ontarians will fight to maintain five years down the road.

Whether Canadians know it or not, provincial pricing practices have been challenged for years by our trading partners as illegal under international trading rules. The provinces made an undertaking during the last GATT round. They are currently the subject of a GATT panel review. Of course, we all know what the decision handed down in mid-November was. European wineries do not like these practices but they have been able to offset this disadvantage and take the lion's share of our wine market because of their own trade practices, the same kind of subsidies that plague our grain producers.

The major culprits in the current system are not the wineries but the provincial governments, whose gains are hundreds of millions of revenue dollars every year from very high markups on Ontario and imported wines. This government is not ready to forsake the best-milked cow it has, or even any part of it. Therefore, they are blaming the wine industry and the grape growers and saying, "You were used as a bargaining

chip," when, in effect, the markup on wines, Ontario and imported, is the culprit.

These are the facts we must confront, with or without a free trade agreement with the US, and we must always differentiate between what is brought about by free trade and what is brought about by GATT, which we are signatory to, as one of some 90 countries that adhere to GATT rules and regulations. The status quo is no longer. That is something this government must realize.

Going back to the Broadwater December 18 letter—and it comes from Markham, a great little community represented by my colleague and friend the member for Markham (Mr. Cousens).

**Mr. Callahan:** Where is he?

**Mr. Villeneuve:** He was here earlier. He had to make some phone calls.

**Mr. Callahan:** Popped in and popped out.

**Mr. Villeneuve:** I am sure he is watching very closely on TV.

Now that the basis of the Canada-US agreement has been drawn up and signed, the details become increasingly important with respect to how judgement is going to be passed on subsidies, their levels and their definition. This is where this government should be working; it is in that area. It should define these things to Ontario's benefit as opposed to screaming in this assembly and bringing forth crazy little motions before this is even heard by the standing committee on finance and economic affairs of this Legislature.

The Organization for Economic Co-operation and Development approach of a producer subsidy equivalent is not used. There is, however, a 38-page text dealing with agriculture, the formula and the rules for computation of US subsidies, the Canadian subsidies and the definitions thereof. Schedules also cover market access for poultry, feeds, fertilizers, seeds, animal health, veterinary drugs, plant health, pesticides, inspection and labelling. Those are the important matters in this free trade agreement, the definition of these particular things both here in Ontario and Canada and in the US.

In determining the level of support, the agreement names the Agricultural Stabilization Act, the Western Grain Stabilization Act, the special Canadian grains program, provincial programs, income foregone adjustments, the Canadian Wheat Board pool deficit, domestic wheat pricing, advance payments, the Farm Credit Corp. and research expenditures. Supply management is not mentioned—I repeat, supply management is not mentioned—so supply man-



agement is here to stay. We live with what we have and we can set up additional marketing boards.

For the US the list is much shorter, with some all-inclusive sections for both federal and state programs. There is, however, no mention of the contribution to freight rate subsidies by US taxpayers, who pay the United States Army Corps of Engineers to maintain the locks and inland waterways of the Mississippi and Missouri barge system. This is where we should be negotiating, not disputing motion 8 in this Legislature. We should have our experts in Ottawa saying, "This is what is good for Ontario under the agreement that has been signed," instead of undermining a standing committee of the Legislature on finance and economic affairs before it has time even to look at the matter. It does not make any sense.

J'aimerais dire quelques mots en français au sujet d'une situation qui me semble très difficile à comprendre. Nous avons en Ontario un gouvernement libéral, nous avons au Québec un gouvernement libéral. Les deux gouvernements se contredisent tous les jours et j'aimerais simplement suggérer certaines choses qui ont été mentionnées que le gouvernement du Québec croit fortement et que le gouvernement de l'Ontario, un autre gouvernement libéral, contredit complètement.

«Les experts du gouvernement québécois, associés aux négociations depuis le tout début, ont signalé que M. Proulx a raison de voir une entrée additionnelle des produits en provenance des États-Unis mais, ont-ils précisé, dans le cas du poulet, l'augmentation est à l'ordre de 0.6 pour cent et, dans le cas du dindon, une augmentation de l'ordre de 1.5 pour cent. Selon eux, l'entente n'affectera ni les producteurs d'oeufs ni les producteurs de volaille et bénéficiera certainement les producteurs de porc. Les spécialistes du gouvernement ont simplement répondu à M. Proulx que le Canada n'est pas plus que le Québec, ou à ajouter l'agriculture.»

Nous n'avons jamais prétendu qu'il n'était pas question d'agriculture dans ces négociations. Ce que nous avons dit, c'est que les programmes de subventions et de stabilisation des prix n'étaient pas sur la table. Ils ne l'étaient pas non plus, Monsieur le Président.

Alors, ce que le gouvernement libéral a essayé de nous dire pendant la campagne électorale, ce sur quoi il misait le 10 septembre dernier, étaient tout simplement des racontars et des peurs.

«Un représentant de l'industrie laitière qui, en réalité, produit 40 pour cent de la production

agricole au Québec, M. François Bourgeois, de Lactantia, affirme que le Québec est fin prêt, en termes de compétence, à compétitionner sur le marché américain, à augmenter considérablement sa production. Selon lui, il n'y a rien à craindre de la présence accrue de produits américains sur nos comptoirs québécois.»

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Le monsieur a confiance en ses producteurs, a confiance en ses citoyens. C'est quelque chose. Le gouvernement ici n'a aucune confiance en ses agriculteurs, aucun respect pour eux.

J'aimerais dire aux députés quelque chose qui touche au libre-échange. Nous avons dans la circonscription que je représente, Stormont, Dundas et Glengarry, un résident qui est champion. Il n'est pas champion ontarien, il n'est pas champion canadien, il n'est même pas champion international; il est champion mondial, un fromager. Son nom est Réjean Galipeau et il demeure à Winchester. Il est fromager dans la compagnie Ault et, en 1986, il a été le champion mondial en fabrication de fromage.

Alors, nos collègues libéraux nous disent, «Nous ne pouvons pas leur faire concurrence.» Qu'auraient-ils dit à Réjean Galipeau quand il est parti de Winchester pour se rendre au Wisconsin, où il a gagné le championnat mondial? Ils lui auraient dit, «Reste chez vous, ça ne sert à rien. Les Américains ne te donneront pas de chance.»

Réjean Galipeau est devenu champion mondial. Alors, pourquoi pas y aller de l'avant? C'est simplement un tout petit exemple démontrant que, pour ce qui est du libre-échange, nous n'avons rien à craindre, nous n'avons qu'à guetter et à produire ce que nous croyons acceptable à nos producteurs agricoles, ici en Ontario.

Just in order not to bore members totally and have their ears go numb—

**Mr. Ballinger:** Too late for that.

**Mr. Villeneuve:** Well, I noticed the member was listening very attentively while I spoke in French, and he had a great deal of difficulty in contradicting what I said, did he not, because the truth is there. The government of Quebec, their colleagues—

Interjections.

**Mr. Villeneuve:** Oh, they do not like the Liberals from Quebec? Is that not interesting? Those are comments that are difficult to accept, because another group of Liberals all of a sudden does not agree with this group of Liberals.

Maintenance of access to the US market provided by the auto pact: The auto pact, as I said



previously, could have been discontinued with 12 months' notice. Now—and I see the member for Oshawa (Mr. Breaugh) is not here, but he would have to confirm it—the Canadian president of General Motors has agreed that the auto pact was indeed strengthened through these trade negotiations. A strengthened auto pact, I believe, was not even one of the requirements of the Premier, it was simply a maintenance of the auto pact. It has gone one step beyond what the Premier of Ontario had asked for whenever he was itemizing his six requirements or no deal.

“The establishment, through section 17, chapter 3, of a new rule of origin for all vehicles traded under the free trade act. The current auto pact rule governing exports to the US requires that 50 per cent of the customs invoice price be incurred in Canada or in the United States.”

Some will say, “Well, it was 60 per cent.” Yes, it was 60 per cent. We now still have 50 per cent. Is that all that bad? They could have terminated it in 12 months; always remember that.

“That price can include overhead and other indirect costs.”

**Mr. Dietsch:** Oh no—

**An hon. member:** Start talking French again.

**Mr. Villeneuve:** I believe the member for St. Catharines-Brock is also aiming for a brass ring here someplace.

However, under the new rule, to qualify for duty-free treatment, 50 per cent of the direct production cost will have to be incurred in Canada and the United States. The new rule is equivalent to a 70 per cent requirement under the current invoice price rule, and that is the area that is most important. Some of my Liberal friends say, “Well, it was 60 per cent.” Equivalent-wise, it is now up to 70 per cent. That is where some of the strengthening of this auto pact has occurred.

Incentives to honour auto pact safeguards will be maintained by linking auto pact rights to duty-free offshore imports of vehicles and parts to auto pact production safeguards. Currently, auto makers save \$300 million annually in duties on their imports from third countries. It is argued that this incentive is of sufficient value to ensure that production safeguards are respected as tariffs are eliminated and it will become easier to deal across the border with or without this auto pact, and this auto pact has definitely been strengthened.

The October draft regarding agricultural proposals and agricultural trade are all found in the final text. Article 701 prohibits export subsidies on bilateral trade, marking the first time any two

governments have agreed to such a prohibition. Article 701 deals with agriculture.

Articles 401 and 702 provide for the phased elimination of tariffs over a 10-year period, with the exception of the snapback provision in the fruit and vegetable sector.

Article 704 provides for exemptions from restrictions under meat import laws, thus creating free trade in veal, pork and beef; most important. At present, we have a surtax of \$10 per hog on Ontario hogs being exported to the United States. We would hope that this would be eliminated in the not-too-distant future, as has the 15 per cent on softwood lumber been eliminated in some provinces.

The final text contains two modifications or clarifications relative to measures in the October draft.

Under article 710, the parties retain their General Agreement on Tariffs and Trade rights and obligations with respect to all matters of agricultural trade not specifically dealt with in the agreement. This has the effect of protecting federal and provincial supply management and marketing board programs, as they are not affected by the agreement and are consistent with GATT. Again, I emphasize, we must be able to differentiate between free trade and the General Agreement on Tariffs and Trade. This government has sinned a number of times by using GATT decisions to shoot down the free trade deal.

Under article 707, the US has agreed not to introduce or maintain any quantitative import restriction or import fee on any goods originating in Canada containing 10 per cent or less sugar. Page 13 of the October draft dealt with all sweeteners, not just sugar. Here in Ontario and in Canada, we have long looked for a decision on sweeteners.

These are situations that must be addressed. We must live within the GATT and we must also deal with our American friends. The status quo is no longer.

I will just quote a few prominent people involved in agriculture and you will see, Mr. Speaker, that what we have been listening to from this Liberal government in the form of scare tactics is being totally contradicted by a number of our high-profile agriculturalists.

The Canadian Horticultural Council: “We accept that there is recognition of the sensitive market conditions on both sides of the border. We are also somewhat relieved and in fact pleased with many aspects of the deal. The government will have to look at adjustment



assistance for the grape and wine industry and we hope the government recognizes the need to work with the industry. On balance, we lend our support to this agreement."

It is signed by Daniel Dempster, executive vice-president of the Canadian Horticultural Council. He agrees that we should not be in this Legislature right now discussing resolution 8, that we should be sitting at a table with our American counterparts and our counterparts in other provinces negotiating what is best for the industry.

From the Canadian Cattlemen's Association, Gil Barrows, director of government affairs—

Interjection.

**Mr. Villeneuve:** Yes?

**Mr. Reycraft:** What does Brigid say?

**Mr. Villeneuve:** Brigid is quite prepared to work with this government if it will stop screaming anti-free trade and get to where the action is and make things happen that are positive for Ontario agriculture.

"We have nothing but praise for the new trading agreement. There are things we have been working towards for a long time. The agreement frees up the flow of beef and maintains the free flow of cattle in the North American marketplace." Gil Barrows, director of government affairs, Canadian Cattlemen's Association.

Agriculture cannot complain at all. The supply management sector did not want the deal; however, it was totally untouched and can continue to create additional marketing boards if required. Poultry quotas are no greater than actual shipments.

"It is important for us to have a free trade agreement. I hope agriculture is mature enough to realize it"—Charlie Gracey, executive vice-president, Canadian Cattlemen's Association.

On motion by Mr. Villeneuve, the debate was adjourned.

The House adjourned at 6 p.m.

## ANSWERS TO QUESTIONS IN ORDERS AND NOTICES

### USE OF GOVERNMENT AIRCRAFT

**27. Mr. McLean:** Would the Minister of Natural Resources provide a list of all ministers and their staff, other ministry staff, as well as their families and friends who have used government-owned or leased aircraft since July 1985? [Tabled December 2, 1987]

**Hon. Mr. Kerrio:** While the Ministry of Natural Resources is responsible for providing or arranging for nonscheduled air transportation for authorized travel on government business, it is not the responsibility of the ministry to maintain the list of passengers for flights. The responsibility for maintaining appropriate records of their flights rests with the requisitioners.

The recently published report of the Provincial Auditor indicated that "names of passengers were often unavailable." Since the auditor's review, the Ministry of Natural Resources has revised its policy and circulated it to all deputy ministers in August 1987. This new policy makes it very clear that in the future, the requisitioner will be held responsible for maintaining ministry travel records, including passenger names, for a period of two years. Maintaining records of passenger names was not specifically required prior to August 1987.

I do not view it as practical or economical, in light of the Provincial Auditor's report, to pursue any further this request for the period prior to August 1987. The cost in person-hours required to accumulate such information, which may well not be available, cannot be justified.

### COST OF REPORT

**63. Mr. McLean:** Would the Minister of Health provide the cost of the Powell Report on Therapeutic Abortion Services in Ontario and a breakdown of the costs? [Tabled December 8, 1987]

**Hon. Mrs. Caplan:** Consulting fees, \$51,900; travel expenses, \$3,384; production costs for report, English \$8,938, French \$3,340; total, \$67,562.

### TRAFFIC VIOLATIONS

**64. Mr. Jackson:** Would the Solicitor General provide the number of certificates of offence for violations of subsection 121(5) of the Highway Traffic Act served by officers of the Metropolitan Toronto Police Force at or near the intersection of Front Street West and Spadina

Avenue in Toronto during each month between January 1987 and September 1987 inclusive? [Tabled December 8, 1987]

**Hon. Mrs. Smith:** The number of certificates of offence for violations of subsection 121(5) of the Highway Traffic Act served by Metropolitan Toronto Police officers at or near the intersection of Front Street West and Spadina Avenue during each month between January 1987 and September 1987 cannot be provided.

There is no computer program to extract the specific information being sought, either from the Metropolitan Toronto Police computer, which supplies data to the provincial government computer, or from this latter computer, which uses it for court scheduling purposes only.

**65. Mr. Jackson:** Would the Solicitor General provide the number of certificates of offence for violations of subsection 121(5) of the Highway Traffic Act served by officers of the Metropolitan Toronto Police Force at or near the intersection of Front Street West and Spadina Avenue in Toronto during each of the months of October 1987 and November 1987? [Tabled December 8, 1987]

**Hon. Mrs. Smith:** The number of certificates of offence for violations of subsection 121(5) of the Highway Traffic Act served by Metropolitan Toronto Police officers at or near the intersection of Front Street West and Spadina Avenue during each of the months of October 1987 and November 1987 cannot be provided.

There is no computer program to extract the specific information being sought, either from the Metropolitan Toronto Police computer, which supplies data to the provincial government computer, or from this latter computer, which uses it for court scheduling purposes only.

**66. Mr. Jackson:** Would the Solicitor General provide the number of certificates of offence for violations of subsection 121(5) of the Highway Traffic Act served by officers of the Metropolitan Toronto Police Force at or near the intersection of Front Street West and Spadina Avenue in Toronto between January 1, 1987, and September 30, 1987, indicating the number of notices served to drivers of taxicabs, the number of notices served to drivers of buses, the number of notices served to drivers of police vehicles, the number of notices served to drivers of trucks and other commercial vehicles and the number of



notices served to drivers of private, noncommercial vehicles? [Tabled December 8, 1987]

**Hon. Mrs. Smith:** A breakdown (taxi drivers, bus drivers, drivers of police cruisers, drivers of trucks and other commercial vehicles, drivers of private vehicles) of the number of certificates of offence for violations of subsection 121(5) of the Highway Traffic Act served by Metropolitan Toronto Police officers at or near the intersection of Front Street West and Spadina Avenue between January 1987 and September 1987 cannot be provided.

There is no computer program to extract the specific information being sought, either from the Metropolitan Toronto Police computer, which supplies data to the provincial government computer, or from this latter computer, which uses it for court scheduling purposes only.

#### INTERIM ANSWERS

**67. Mr. Harris:** Hon. Mr. Elston—Separation records for employees who have left a ministry are maintained by each of the individual ministries. Accordingly, the information cannot be provided within the normal 14 days. An answer should be available approximately March 31, 1988.

**68. Mr. Harris:** Hon. Mr. Elston—The authority for staffing of positions, including areas such as the communication branches, is delegated to each of the ministries. Accordingly, the information cannot be provided within the normal 14 days. An answer should be available approximately March 31, 1988.

**70. Mr. Cousens:** Hon. Mr. Patten—The ministry requires additional time to provide the information required by the question. The answer should be available on or about March 7, 1988.

**71 and 72. Mr. McLean:** Hon. Mr. Patten—The ministry requires additional time to provide

the information required by the question. The answer should be available on or about February 29, 1988.

### RESPONSES TO PETITIONS

#### NATUROPATHY

Sessional paper P-1, re naturopathy.

**Hon. Mrs. Caplan:** Under the new legislation which is being developed to govern the health professions, naturopaths will be allowed to provide care to the people of Ontario as unregulated practitioners. As is now the case, naturopaths will not be able to use certain modalities of treatment such as surgery or prescribing drugs licensed to other practitioners.

In the future, naturopaths will have opportunities to have their regulatory position re-evaluated to determine if they meet the criteria. They continue to make submissions to the Health Professions Legislation Review. The review is currently evaluating these new submissions.

#### SCHOOL BUSES

Sessional paper P-5, re all school buses being required to come to a full stop at all railway crossings.

**Hon. Mr. Fulton:** The Highway Traffic Act, section 150, only requires school bus drivers to stop their vehicles at unprotected railway crossings; i.e., crossbuck signs only. They are not required to stop at protected crossings; i.e., flashing lights or gates.

The ministry is reviewing the issue of whether to require school bus drivers to stop their vehicles at all railway crossings, including those protected by gates or signal lights, to check for approaching trains.

Requiring drivers to stop at all railway crossings would mean a legislation change to the Highway Traffic Act.

## ALPHABETICAL LIST OF MEMBERS\*

(130 seats)

First Session, 34th Parliament

**Lieutenant Governor: Hon. Lincoln M. Alexander, PC, QC**

- Adams, Peter (Peterborough L)  
 Allen, Richard (Hamilton West NDP)  
 Ballinger, William G. (Durham-York L)  
 Beer, Charles (York North L)  
 Black, Kenneth H. (Muskoka-Georgian Bay L)  
 Bossy, Maurice L. (Chatham-Kent L)  
**Bradley, Hon. James J.**, Minister of the Environment (St. Catharines L)  
 Brandt, Andrew S. (Sarnia PC)  
 Breaugh, Michael J. (Oshawa NDP)  
 Brown, Michael A. (Algoma-Manitoulin L)  
 Bryden, Marion (Beaches-Woodbine NDP)  
 Callahan, Robert V. (Brampton South L)  
 Campbell, Sterling (Sudbury L)  
**Caplan, Hon. Elinor**, Minister of Health (Oriole L)  
 Carrothers, Douglas A. (Oakville South L)  
 Charlton, Brian A. (Hamilton Mountain NDP)  
 Chiarelli, Robert (Ottawa West L)  
 Cleary, John C. (Cornwall L)  
 Collins, Shirley (Wentworth East L)  
**Conway, Hon. Sean G.**, Minister of Mines (Renfrew North L)  
 Cooke, David R. (Kitchener L)  
 Cooke, David S. (Windsor-Riverside NDP)  
 Cordiano, Joseph (Lawrence L)  
 Cousens, W. Donald (Markham PC)  
 Cureatz, Sam L. (Durham East PC)  
**Curling, Hon. Alvin**, Minister of Skills Development (Scarborough North L)  
 Daigeler, Hans (Nepean L)  
 Dietsch, Michael M. (St. Catharines-Brock L)  
**Eakins, Hon. John F.**, Minister of Municipal Affairs (Victoria-Haliburton L)  
**Edighoffer, Hon. Hugh A.**, Speaker (Perth L)  
 Elliot, R. Walter (Halton North L)  
**Elston, Hon. Murray J.**, Chairman of the Management Board of Cabinet (Bruce L)  
 Epp, Herbert A. (Waterloo North L)  
 Eves, Ernie L. (Parry Sound PC)  
 Farnan, Michael (Cambridge NDP)  
 Faubert, Frank (Scarborough-Ellesmere L)  
 Fawcett, Joan M. (Northumberland L)  
 Ferraro, Rick E. (Guelph L)  
 Fleet, David (High Park-Swansea L)  
**Fontaine, Hon. René**, Minister of Northern Development (Cochrane North L)  
**Fulton, Hon. Ed**, Minister of Transportation (Scarborough East L)  
 Furlong, Allan W. (Durham Centre L)  
**Grandmaitre, Hon. Bernard C.**, Minister of Revenue (Ottawa East L)  
 Grier, Ruth A. (Etobicoke-Lakeshore NDP)  
 Haggerty, Ray (Niagara South L)  
 Hampton, Howard (Rainy River NDP)  
 Harris, Michael D. (Nipissing PC)  
 Hart, Christine E. (York East L)  
 Henderson, D. James (Etobicoke-Humber L)  
**Hošek, Hon. Chaviva**, Minister of Housing (Oakwood L)  
 Jackson, Cameron (Burlington South PC)  
 Johnson, Jack (Wellington PC)  
 Johnston, Richard F. (Scarborough West NDP)  
 Kanter, Ron (St. Andrew-St. Patrick L)  
**Kerrio, Hon. Vincent G.**, Minister of Natural Resources (Niagara Falls L)  
 Keyes, Kenneth A. (Kingston and The Islands L)  
 Kozyra, Taras B. (Port Arthur L)  
**Kwinter, Hon. Monte**, Minister of Industry, Trade and Technology (Wilson Heights L)  
 Laughren, Floyd (Nickel Belt NDP)  
 LeBourdais, Linda (Etobicoke West L)  
 Leone, Laureano (Downsview L)  
 Lipsett, Ron (Grey L)  
 Lupusella, Tony (Dovercourt L)  
 MacDonald, Keith (Prince Edward-Lennox L)  
 Mackenzie, Bob (Hamilton East NDP)  
 Mahoney, Steven W. (Mississauga West L)  
**Mancini, Hon. Remo**, Minister without Portfolio (Essex South L)  
 Marland, Margaret (Mississauga South PC)  
 Martel, Shelley (Sudbury East NDP)  
 Matrundola, Gino (Willowdale L)  
 McCague, George R. (Simcoe West PC)  
 McClelland, Carman (Brampton North L)  
 McGuigan, James F. (Essex-Kent L)  
 McGuinty, Dalton J. (Ottawa South L)  
 McLean, Allan K. (Simcoe East PC)  
**McLeod, Hon. Lyn**, Minister of Colleges and Universities (Fort William L)  
 Miclash, Frank (Kenora L)  
 Miller, Gordon I. (Norfolk L)  
 Morin, Gilles E. (Carleton East L)  
 Morin-Strom, Karl E. (Sault Ste. Marie NDP)



**Munro, Hon. Lily O.**, Minister of Culture and Communications (Hamilton Centre L)  
 Neumann, David E. (Brantford L)  
 Nicholas, Cindy (Scarborough Centre L)  
 Nixon, J. Bradford (York Mills L)  
**Nixon, Hon. Robert F.**, Deputy Premier, Treasurer of Ontario and Minister of Economics and Minister of Financial Institutions (Brant-Haldimand L)  
 Offer, Steven (Mississauga North L)  
**O'Neil, Hon. Hugh P.**, Minister of Tourism and Recreation (Quinte L)  
 O'Neill, Yvonne (Ottawa-Rideau L)  
 Owen, Bruce (Simcoe Centre L)  
**Patten, Hon. Richard**, Minister of Government Services (Ottawa Centre L)  
 Pelissero, Harry E. (Lincoln L)  
**Peterson, Hon. David R.**, Premier and President of the Council and Minister of Intergovernmental Affairs (London Centre L)  
 Philip, Ed (Etobicoke-Rexdale NDP)  
**Phillips, Hon. Gerry**, Minister of Citizenship (Scarborough-Agincourt L)  
 Poirier, Jean, Deputy Speaker and Chairman of the Committees of the Whole House (Prescott and Russell L)  
 Pollock, Jim (Hastings-Peterborough PC)  
 Polsinelli, Claudio (Yorkview L)  
 Poole, Dianne (Eglinton L)  
 Pope, Alan W. (Cochrane South PC)  
 Pouliot, Gilles (Lake Nipigon NDP)  
 Rae, Bob (York South NDP)  
**Ramsay, Hon. David**, Minister of Correctional Services (Timiskaming L)  
 Ray, Michael C. (Windsor-Walkerville L)  
 Reville, David (Riverdale NDP)  
 Reyecraft, Douglas R. (Middlesex L)  
**Riddell, Hon. Jack**, Minister of Agriculture and Food (Huron L)  
 Roberts, Marietta L. D., Deputy Chairman of the Committees of the Whole House (Elgin L)  
 Runciman, Robert W. (Leeds-Grenville PC)  
 Ruprecht, Tony (Parkdale L)  
**Scott, Hon. Ian G.**, Attorney General (St. George-St. David L)  
 Smith, David W. (Lambton L)  
**Smith, Hon. E. Joan**, Solicitor General (London South L)  
 Sola, John (Mississauga East L)  
**Sorbara, Hon. Gregory S.**, Minister of Labour (York Centre L)  
 South, Larry (Frontenac-Addington L)  
 Sterling, Norman W. (Carleton PC)  
 Stoner, Norah (Durham West L)

Sullivan, Barbara (Halton Centre L)  
 Swart, Mel (Welland-Thorold NDP)  
**Sweeney, Hon. John**, Minister of Community and Social Services (Kitchener-Wilmot L)  
 Tatham, Charlie (Oxford L)  
 Velshi, Murad (Don Mills L)  
 Villeneuve, Noble (Stormont, Dundas and Glengarry PC)  
**Ward, Hon. Christopher C.**, Minister of Education (Wentworth North L)  
 Wildman, Bud (Algoma NDP)  
**Wilson, Hon. Mavis**, Minister without Portfolio (Dufferin-Peel L)  
 Wiseman, Douglas J. (Lanark-Renfrew PC)  
**Wong, Hon. Robert C.**, Minister of Energy (Fort York L)  
**Wrye, Hon. William**, Minister of Consumer and Commercial Relations (Windsor-Sandwich L)  
 Vacancy: London North

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 Nixon, Hon. Robert F., Deputy Premier, Treasurer of Ontario and Minister of Economics and Minister of Financial Institutions  
 Conway, Hon. Sean G., Minister of Mines  
 Bradley, Hon. James J., Minister of the Environment  
 Scott, Hon. Ian G., Attorney General  
 Riddell, Hon. Jack, Minister of Agriculture and Food  
 Eakins, Hon. John F., Minister of Municipal Affairs  
 Kerrio, Hon. Vincent G., Minister of Natural Resources  
 O'Neil, Hon. Hugh P., Minister of Tourism and Recreation  
 Sweeney, Hon. John, Minister of Community and Social Services  
 Elston, Hon. Murray J., Chairman of the Management Board of Cabinet  
 Wrye, Hon. William, Minister of Consumer and Commercial Relations  
 Grandmaître, Hon. Bernard C., Minister of Revenue  
 Curling, Hon. Alvin, Minister of Skills Development  
 Fulton, Hon. Ed, Minister of Transportation  
 Kwinter, Hon. Monte, Minister of Industry, Trade and Technology  
 Munro, Hon. Lily O., Minister of Culture and Communications

Sorbara, Hon. Gregory S., Minister of Labour  
 Caplan, Hon. Elinor, Minister of Health  
 Fontaine, Hon. René, Minister of Northern Development  
 Ramsay, Hon. David, Minister of Correctional Services  
 Smith, Hon. E. Joan, Solicitor General  
 Ward, Hon. Christopher C., Minister of Education  
 Hošek, Hon. Chaviva, Minister of Housing  
 McLeod, Hon. Lyn, Minister of Colleges and Universities  
 Patten, Hon. Richard, Minister of Government Services  
 Phillips, Hon. Gerry, Minister of Citizenship  
 Wong, Hon. Robert C., Minister of Energy  
 Mancini, Hon. Remo, Minister without Portfolio  
 Wilson, Hon. Mavis, Minister without Portfolio

### PARLIAMENTARY ASSISTANTS

Bossy, Maurice L.: assistant to the Minister of Housing (Chatham-Kent L)  
 Campbell, Sterling: assistant to the Minister of Mines (Sudbury L)  
 Chiarelli, Robert: assistant to the Chairman of the Management Board of Cabinet (Ottawa West L)  
 Collins, Shirley (Ms.): assistant to the Minister of Labour (Wentworth East L)  
 Cordiano, Joseph: assistant to the Minister of Intergovernmental Affairs (Lawrence L)  
 Ferraro, Rick E.: assistant to the Minister of Industry, Trade and Technology (Guelph L)  
 Haggerty, Ray: assistant to the Minister of Consumer and Commercial Relations (Niagara South L)  
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 Henderson, D. James: assistant to the Minister of Colleges and Universities (Etobicoke-Humber L)  
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 Polsinelli, Claudio: assistant to the Minister of Treasury and Economics (Yorkview L)  
 Ruprecht, Tony: assistant to the Minister of Citizenship (Parkdale L)

### STANDING COMMITTEES

Administration of justice: chairman, Mr. Callahan; vice-chairman, Ms. Hart; members, Messrs. Chiarelli, Cureatz, Farnan, Hampton, Kanter, Keyes, Ms. Poole, Messrs. Sola and Sterling; clerk, Lynn Mellor.

Finance and economic affairs: chairman, Mr. D. R. Cooke; vice-chairman, Mr. Ferraro; members, Messrs. Haggerty, Kozyra, Mackenzie, McCague, Morin-Strom, Neumann, J. B. Nixon, Pelissero and Villeneuve; clerk, Franco Carrozza.

General government: chairman, Mrs. Stoner; vice-chairman, Mr. Mahoney; members, Mr. Black, Ms. Bryden, Messrs. Charlton, Daigeler, Mrs. Marland, Messrs. Matrondola, McLean, Owen and M. C. Ray; clerk, Deborah Deller.

Government agencies: chairman, Mr. McLean; vice-chairman, Mr. Jackson; members, Messrs. Black, Breough, Dietsch, Furlong, Lipsett, Miss Martel, Messrs. Runciman, South and Velshi; clerk, Douglas Arnott.

Legislative Assembly: chairman, Mr. Epp; vice-chairman, Mr. Morin; members, Messrs. Breough, Cordiano, Faubert, J. M. Johnson, McClelland, Polsinelli, Sterling, Mrs. Sullivan and Mr. Swart; clerk, Smirle Forsyth.

Ombudsman: chairman, Miss Nicholas; vice-chairman, Mr. Elliot; members, Messrs. Bossy, Carrothers, Charlton, Elliot, Henderson, Lupusella, MacDonald, McLean, Miss Nicholas, Messrs. Philip and Pollock; clerk, Todd Decker.

Public accounts: chairman, Mr. Philip; vice-chairman, Mr. Pouliot; members, Messrs. Balingier, Carrothers, Dietsch, Mrs. Fawcett, Miss Martel, Messrs. Offer, Pope, Runciman and Smith; clerk, Douglas Arnott.

Regulations and private bills: chairman, Mr. Fleet; vice-chairman, Mr. Beer; members, Mr. Cleary, Mrs. Fawcett, Messrs. McCague,



Pollock, Pouliot, Ruprecht, Smith, Sola and Swart; clerk, Tannis Manikel.

Resources development: chairman, Mr. Laughren; vice-chairman, Mr. Wildman; members, Mr. Brown, Ms. Collins, Mrs. Grier, Mr. Leone, Mrs. Marland, Messrs. McGuigan, Miclash, Miller and Wiseman; clerk, Todd Decker.

Social development: chairman, Mr. Adams; vice-chairman, Mrs. LeBourdais; members, Messrs. Allen, Campbell, Cousens, Jackson, R. F. Johnston, McClelland, McGuinty, Mrs. O'Neill and Mr. Tatham; clerk, Franco Carrozza.

#### SELECT COMMITTEE

Constitutional reform: chairman, Mr. Beer; vice-chairman, Miss Roberts; members, Messrs. Allen, Breaugh, Cordiano, Elliot, Eves, Mrs. Fawcett, Messrs. Harris, Morin and Offer; clerk, Deborah Deller.

\*The alphabetical list of members appears in each issue. The other lists, brought up to date as necessary, are published in Hansard in the first and last issues of each session and on the first sitting day of each month.

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